

***SCHOOL DISTRICT
OF
HAMILTON TOWNSHIP***

***HAMILTON TOWNSHIP
BOARD OF EDUCATION***

***COUNTY OF MERCER
HAMILTON, NEW JERSEY***

***COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR
ENDED JUNE 30, 2012***

TOWNSHIP OF HAMILTON SCHOOL DISTRICT
COUNTY OF MERCER, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2012 "

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INTRODUCTORY SECTION

HAMILTON TOWNSHIP SCHOOLS

OFFICE OF THE BUSINESS ADMINISTRATOR/BOARD SECRETARY
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November 21, 2012

Honorable President and
Members of the Board of Education
Hamilton Township School District
County of Mercer, New Jersey

Dear Board Members:

We are submitting the comprehensive annual financial report of the Hamilton Township School District for the fiscal year ended June 30, 2012. We are both relatively new to the District, and as such, we only have limited experience with the financial operations. As a consequence, we are uncertain of the extent to which this report fairly presents the District's financial position, the results of operations and cash flows in accordance with national and state standards. Additionally, the District is in the midst, although at the current time on the periphery, of an investigation conducted by the U.S. Attorney's Office, and as a result, the Federal Bureau of Investigation is in possession of many District documents and records which may impact the accuracy and completion of the financial information presented in this financial report. However, the District is responsible for the report's contents and has made every effort to ensure the accuracy and completeness of this presentation. An independent firm of certified public accountants audits this report.

The district has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This standard, issued in June 1999, created a new reporting model of financial information and disclosure. This model required a significant departure from the previously used reporting model. The two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds as was the design of past governmental financial statements. These two statements consolidate much of the information, which was contained in the fund based financial statements of the past, into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net assets should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the district to explain in layman's terms its financial position and results of operations of the past fiscal year. The MD&A provides comparative data for the prior year with respect to the

Statement of Net Assets and the Statement of Activities. The comparative data allows the reader to assess changes in the financial position of the district.

This comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, an organizational chart, a list of School Board Members and administrative personnel. The financial section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, supplemental information and the combining of individual fund schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis. The statistical section has been expanded this year to include, where available, ten years of data.

Generally accepted accounting principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of Hamilton Township School District can be found immediately following the report of the independent auditors.

1) REPORTING ENTITY AND ITS SERVICES: The Hamilton Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. The Hamilton Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and vocational as well as special education for handicapped youngsters. The District completed the 2011-12 fiscal year with an average daily enrollment of 12,327.4. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2011-12	12,327.4	-1.55%
2010-11	12,521.6	-1.49%
2009-10	12,711.5	-1.10%
2008-09	12,853.9	-0.0045%
2007-08	12,911.7	-1.51%
2006-07	13,110.8	-1.10%
2005-06	13,259.5	0.19%
2004-05	13,234.4	0.38%
2003-04	13,183.8	0.77%
2002-03	13,081.7	0.58%

2) MAJOR INITIATIVES

1. The Hamilton Township School District implemented the Foundations Program through which all non-proficient students in grades 6-9 math and language arts

will receive double classes in the areas in which they are not proficient. The Board of Education has funded this initiative and supported it with additional teachers and resources.

2. The Hamilton Township School District implemented a Developmental Kindergarten class and a Transitional First Grade in two of our Title I elementary schools to help with early intervention strategies for struggling students. It is a three year program over which students will complete kindergarten and first grade, rather than over the traditional two years.
3. A Teacher Evaluation Steering Committee was formed, and they recommended as per the NJDOE mandates, that we implement a new evaluation system for teachers. It is the Danielson Framework for Effective Teaching. Training has begun and it will be fully implemented in the 2013-2014 school year.
4. Two federal Race To The Top Grants have been applied for to increase student achievement. The RTTT3 grant has been awarded and supplies are being purchased. The other grant is the RTTTD grant and it was submitted in early October, 2012. If awarded to the district, it will provide up to \$6 million in funds to expand learning opportunities for our students.
5. Additional Title I teachers were approved by our Board of Education this September. Ten new staff members will be added to the classrooms of our lowest achieving students where there are high levels of economically disadvantaged families. This will provide opportunities to enhance educational experiences and improve achievement.
6. All curriculum guides have been updated for full alignment to the Common Core Standards. Committees of teachers worked on many of the guides, under the leadership of the curriculum supervisors, to bring them up to date for implementation in the classroom.
7. During the 2011-12 school year the NJDOE Office of Special Education Programs determined that the Hamilton Township School District ***Meets Requirements*** which is the highest rating given by the State of New Jersey with regard to its implementation of federal and state special education requirements. Also, during a consolidated monitoring by the NJDOE, the special education programs were found to be compliant.
8. During the 2011-12 school year the Hamilton Township School District recouped \$1,102,538 in Extraordinary Aid.
9. During the 2011-12 school year the Department of Special Services and Programs developed an auditory impaired program to be implemented in 2013-14. Students attending out-of-district programs will be able to return to the district and be educated in the least restrictive environment. The Department also increased the number of in-district autistic classes and extended the program to the middle school level.

10. During the 2011-12 school year the Department of Student Services and Programs has significantly expanded the availability of In-Class Resource Centers (IRC) and In-Class Support (ICS) program options at all secondary schools. This growth reflects the inclusion philosophy as well as federal and state mandates.
11. The Department of Student Services and the Board Committee on Special Services also recruited parents from each school to become liaisons between the Board of Education, Parent Advisory Committee and the school's PTA in an effort to better disseminate information to and from each group. A pamphlet was created to emphasize the importance of parent involvement. Two coffee hours were held and parent liaisons were invited to attend.
 - A district-wide "Aware Because We Care" campaign was held on March 14, 2012. Our school district was the only district in the nation to hold this district-wide campaign.
 - A Board resolution was read by the principal or his designee and teachers facilitated discussions.
 - Students received a bracelet and participated in a banner signing and pledge.
12. The Health Division of the Department of Student Services and Programs initiated an epilepsy awareness program. A speaker from the Epilepsy Foundation attended a staff meeting at Wilson Elementary School and gave an overview of signs, symptoms of seizure activity and how to deal with students experiencing a seizure until medical help arrives. This program will be provided to other district schools.
13. The Health Division accomplished full implementation of the Diabetes Management Regulation. All schools with diabetic students will be fully staffed with a certified nurse at all times. Staff training continues and bus drivers who transport diabetic students have also been trained for emergency situations.
14. Concussion testing for all high school athletes involved in interscholastic sports was implemented. This includes baseline and post-injury cognitive testing for all student athletes.
15. The Department of Student Services and Programs created a collaborative relationship with the Student Assistance Counselors during monthly guidance meetings. The SAC assisted the elementary, middle and high school guidance counselors working with individual students and conducting lessons on drugs and alcohol.
16. The Guidance Division of the DSSP collaborated with local community resources to keep our counselors abreast of the services which are available to their students and families. They established productive and positive relationships with Family Support Organizations, Anchor House, Princeton House, CARES, Big Brothers, Big Sisters and PEI Kids.

17. The Guidance Division of the DSSP also revised the Crisis Response Flow Chart, Suicide Ideation Form, Re-entry Forms and Release Forms. Professional development programs were held on the new HIB law procedures and policy as well as Cyber Empowerment.
18. The Hamilton Township School District continues to explore alternative revenue sources. The Hamilton YMCA and Mercer County CYO will contribute nearly \$130,000 to the school district to operate their Before and After School Programs from our buildings. The funding will be used to maintain our aging facilities.
19. The school district received another Safety Grant from the New Jersey School Boards Association Insurance Group in the amount of \$52,000 based upon its employee safety program. This funding will be used for district-wide safety issues. The district has received a total of \$172,000 since 2009.
20. The school district has begun an Energy Savings Improvement Program that should provide a significant amount of capital funding to improve its energy management systems.
21. The school district has also begun to implement programs to stabilize its costs in the area of health benefits. Along with recent changes in legislation, these costs will not decrease but may be somewhat contained.
22. The budgeting process which began in 2011-12 for the 2012-13 budget includes an increase to Capital and Maintenance Reserves. This funding will be put to good use as we strive to improve and maintain our aging facilities.
23. The district also implemented a zero waste recycling program in order to decrease its waste, thus improving the environment and at the same time, reducing costs related to the disposition of waste.
24. The school district has significantly reviewed and improved its purchasing practices and has competitively bid virtually all of its contracts.
25. In addition to the daily support of 5,000 computer systems, the Technology Department accomplished the following projects during the 2011-12 school year:
 - Redesigned and updated two high school Media Centers to foster student learning and improve collaboration opportunities. The number of PCs in each Media Center was expanded to 30. Throughout the district 562 student PC workstations were installed.
 - Smartboards and multimedia audio-visual systems were installed in 138 classrooms.
 - A year long evaluation of enterprise wireless infrastructure solutions was conducted. This culminated in a two month school-wide wireless pilot at Reynolds Middle School. Feedback from all staff was solicited and taken into consideration during the final selection process.
 - ISP was configured at all schools to improve bandwidth and reliability.
 - Firewalls were replaced to offer higher throughput and future expansion.

- Four high school internet-ready labs were refreshed with replacement network infrastructure and over 100 new desktop PCs.
- Main data-center was upgraded with three physical servers that support over 15 virtualized guest operating systems. This upgrade lowered licensing, maintenance and power consumption costs while improving reliability and future expansion options.

3) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the district management.

As part of the district's single audit described earlier, tests are made to determine the adequacy of the internal controls structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

(4) BUDGETARY CONTROLS: In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The original and final budget for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

5) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The district has implemented GASB 34 for the fiscal year ended June 30, 2012 as explained in the Note to the Financial Statements.

6) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the

district continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund and debt service fund revenues for the fiscal year ended June 30, 2012 and the amount and percentage of increase in relation to prior year revenues.

Revenue	2011-12 Amount	Percent of Total	Increase (Decrease) from 2010-11	Percent of Increase (Decrease)
Local Sources	97,019,054	50.96%	(1,279,047)	(0.01)
State Sources	86,344,375	45.35%	4,641,314	0.06
Federal Sources	7,015,426	3.68%	(1,303,256)	(0.16)
Total	190,378,855	100.00%	2,059,011	0.01

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2012 and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	2011-12 Amount	Percent of Total	Increase (Decrease) from 2010-11	Percent of Increase (Decrease)
Current Expense:				
Instruction	70,465,085	37.42%	2,812,903	0.04
Undistributed	106,981,029	56.81%	6,338,324	0.06
Subtotal	177,446,114	94.22%	9,151,227	0.05
Capital Outlay	816,823	0.43%	261,565	0.47
Special Schools	135,387	0.07%	(903)	(0.01)
Special Revenue	5,391,371	2.86%	(4,024,754)	(0.43)
Debt Service:				
Principal	2,315,000	1.23%	(30,000)	(0.01)
Interest	2,222,166	1.18%	(99,167)	(0.04)
Total	188,326,862	100.00%	5,257,969	0.03

7) DEBT ADMINISTRATION: On June 30, 2012, the District reported outstanding principal debt of \$46,660,000 of general obligation bonds and lease purchase agreements.

8) CASH MANAGEMENT: The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision hazard and theft insurance on property and contents, and fidelity bonds.

10) **OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik and Morrison, P.A. was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended and related OMB Circular A-133 and State OMB Circular 04-04. The auditor's report of the CAFR is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.


11) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Hamilton Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

This letter of transmittal is submitted, with qualification, as outlined in the introductory paragraph and only reflects information that is currently known.

Respectfully submitted,

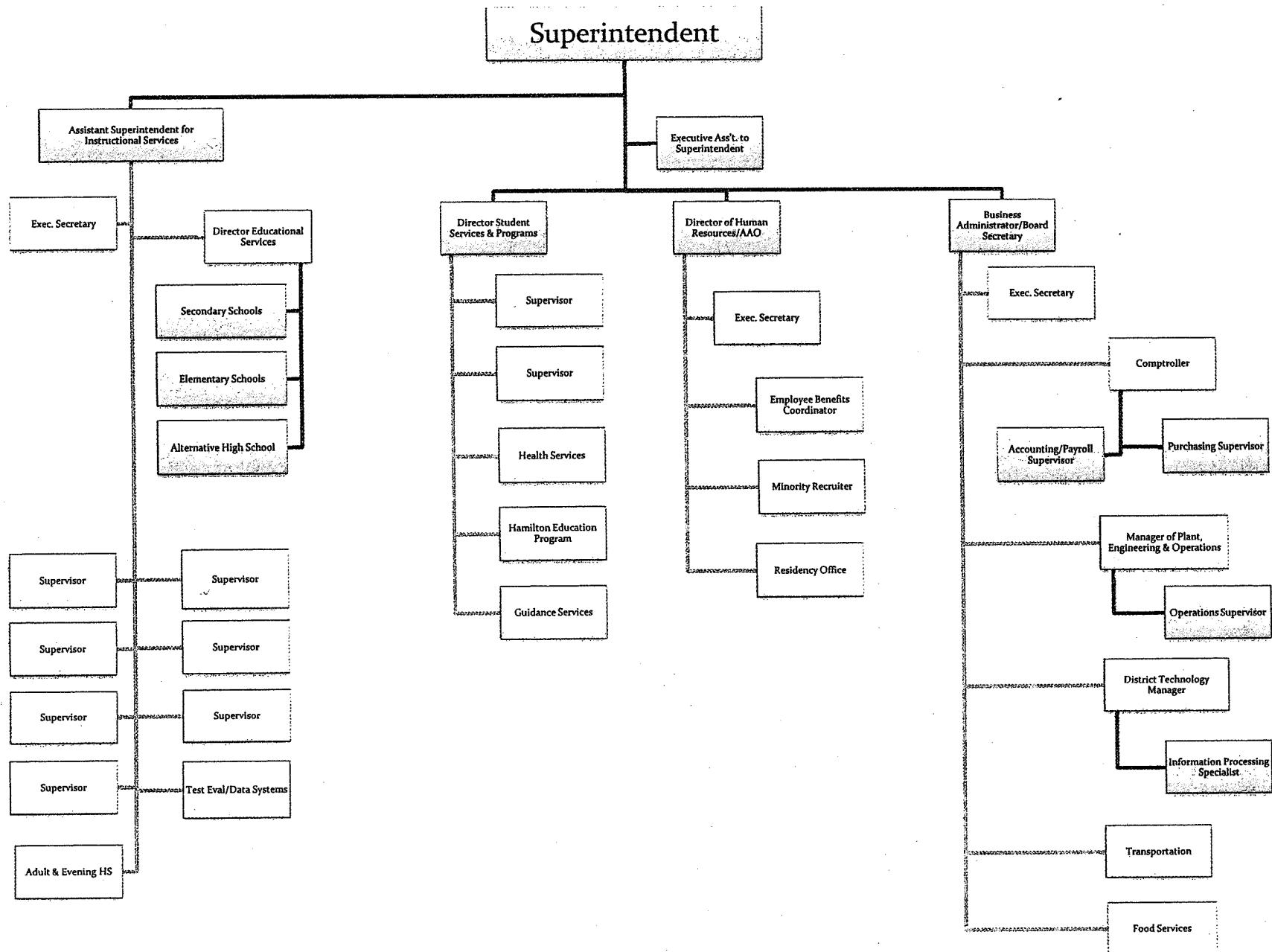


James Parla, Ed.D.
Superintendent



Daniel M. Swirsky, Ed.D.
Acting Board Secretary

Organizational Chart



**HAMILTON TOWNSHIP BOARD OF EDUCATION
HAMILTON, NEW JERSEY
MERCER COUNTY**

**ROSTER OF OFFICIALS
June 30, 2012**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Patricia DelGiudice, President	2014
William T. Harvey, Jr., Vice President	2013
Eric Hamilton	2012
Jeff Hewitson	2013
Richard J. Kanka	2012
Joseph Malagrino	2014
Troy Stevenson	2012
Stephanie Pratico	2014
Ronald Tola	2012

Other Officials

Dr. James Parla, Superintendent
Joseph J. Tramontana, Business Administrator/Board Secretary

**HAMILTON TOWNSHIP BOARD OF EDUCATION
HAMILTON, NEW JERSEY
MERCER COUNTY**

**CONSULTANTS AND ADVISORS
June 30, 2012**

Audit Firm

Hodulik and Morrison, P.A.
1102 Raritan Avenue
P.O. Box 1450
Highland Park, New Jersey 08904

Attorney

Destribats Campbell Magee Staub & Burns, LLC
Attorneys At Law
247 White Horse Avenue
Hamilton, New Jersey 08610

Depository

The Bank of Princeton

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REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
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MEMBERS OF:
AMERICAN INSTITUTE OF CPAS
NEW JERSEY SOCIETY OF CPAS
REGISTERED MUNICIPAL ACCOUNTANTS OF NJ

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Township of Hamilton School District
County of Mercer
Hamilton, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Township of Hamilton School District, County of Mercer, New Jersey, as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Hamilton Board of Education's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Township of Hamilton School District, County of Mercer, New Jersey, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2012 on our consideration of the Township of Hamilton School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the

results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township of Hamilton School District, Mercer County, New Jersey's financial statements as a whole. The introductory section and other supplementary information, including the combining and individual fund financial statements, long-term debt schedules and statistical section, are presented for purpose of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and New Jersey OMB Circular 04-04 and is also not a required part of the financial statements. The schedule of expenditures of federal awards and state financial assistance is the responsibility of management and is derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The other supplementary information and supplemental schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Robert S. Morrison

Robert S. Morrison
Public School Accountant
PSA # 871

Highland Park, New Jersey
November 21, 2012

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART I

HAMILTON TOWNSHIP SCHOOL DISTRICT
Hamilton, New Jersey
Mercer County

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
June 30, 2012

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2012. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Since this is the seventh year of implementing the revised reporting model, comparative information from the previous year is available and is being reported as part of the MD&A.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2011-2012 fiscal year include the following:

Governmental funds reported a total fund balance of \$22,304,523.02 which is a 8.7% increase from last year's total governmental fund balance. The increase in total governmental fund balance was due primarily to the positive variance of budget expenditures. The general or operating fund balance was reported at \$17,621,295.59 of which \$10,949,871.00 was appropriated toward the 2012-13 budget. The unrestricted general fund balance is reported at \$4,472,309.06. Total spending for all governmental funds was \$188,326,861.77. Total revenues were \$190,378,854.82, resulting in an excess of revenues over expenditures of \$2,051,993.05 for the year. Revenues *increased* approximately \$2,060,011 over last year and included \$86,344,375.05 in state and federal aid and \$95,477,834.00 in local taxes.

In total, net assets increased \$1,751,896.94 which represents a 71.0% decrease from fiscal year 2011. This decrease was due primarily to increase in benefits and capital asset acquisition.

The Board realized a change in net assets in the District's food service program in the amount of \$179,477.93, resulting in total net assets of \$694,658.31 for the fiscal year ended June 30, 2012.

Fiscal Year 2011-12 represented the District's fourth year in a fully insured worker's compensation program. The change has resulted in continued savings over the four year period. In addition, sufficient fund balance is available to settle claims from the years of self-insurance.

The district negotiated an interest rate of 3% on available cash to maintain stable interest earnings in the next fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the district:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district’s overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district’s operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the district operated like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationship in which the district acts solely as a trustee or agent for the benefits of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of the School District Annual Financial Report

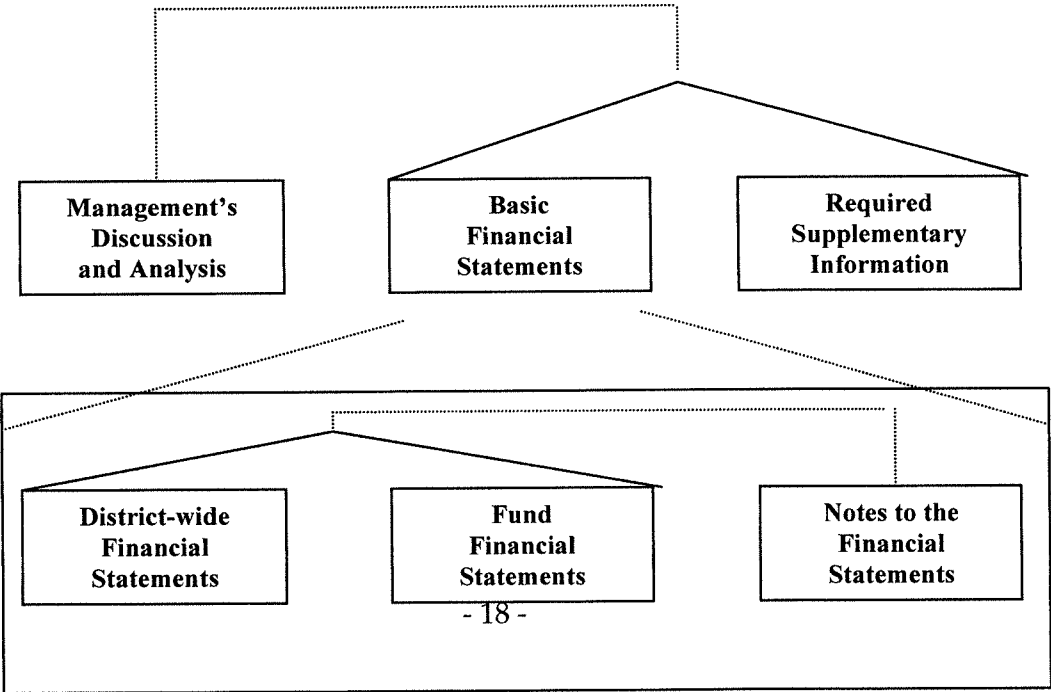


Figure A-2 summarizes the major features of the district's financial statements, including the portion of the district's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and the contents of each of the statements.

<p style="text-align: center;">Figure A-2 Major Features of the District-Wide and Fund Financial Statements</p>				
	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial Statements	<ul style="list-style-type: none"> •Statement of net assets •Statement of activities 	<ul style="list-style-type: none"> •Balance Sheet •Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> •Statement of net assets •Statement of cash flows 	<ul style="list-style-type: none"> •Statement of fiduciary net assets •Statement of changes in fiduciary net assets
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues/expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

The district-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the district's net assets and how they have changed. Net assets - the difference between the district's assets and liabilities - is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

In the district-wide financial statements, the district's activities are divided into two categories:

- Governmental activities: Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- Business-type activities: The district charges fees to help it cover the costs of certain services it provides. The district's adult education programs and food services are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The district establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as federal grants).

The district has three kinds of funds:

- Governmental funds: Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left

at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.

- **Proprietary funds:** Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.
- **Fiduciary funds:** The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net assets were \$25,939,592 at June 30, 2012 representing an increase of 8.85% over fiscal year 2011. This amount included an unrestricted deficit of \$(29,524,173). Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Figure A-3) and change in net assets (Figure A-4) of the school district's governmental activities.

Figure A-3
Net Assets

	Governmental Activities <u>2012</u>	Governmental Activities <u>2011</u>	% Increase/ Decrease
Assets			
Current and other assets	\$25,506,118	\$23,390,873	10.68%
Capital assets	<u>53,089,386</u>	<u>55,220,245</u>	-10.76%
Total assets	<u>78,595,504</u>	<u>78,611,118</u>	-0.08%
Liabilities			
Current and other liabilities	2,762,043	2,308,835	2.29%
Long-term liabilities	49,893,868	52,114,586	-11.21%
Total liabilities	<u>52,655,911</u>	<u>54,423,421</u>	-8.93%
Net Assets			
Net assets invested in			
Capital assets net of debt	34,978,504	35,384,820	-2.05%
Restricted	20,485,262	17,000,288	17.60%
Unrestricted (deficit)	<u>(29,524,173)</u>	<u>(28,197,412)</u>	-6.70%
Total net asset	<u>\$25,939,592</u>	<u>\$24,187,696</u>	8.85%
Total net assets & liabilities	<u>\$78,595,504</u>	<u>\$78,611,117</u>	-0.08%

The \$(29,524,173) deficit in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. This deficit includes cumulative compensated absences and vacation days for all employees in the amount of \$3,233,868.23, \$706,746.49 in accrued interest, long-term debt, ERI funding and Workers' Compensation claims payable in the amount of \$692,545.71. (The compensated absences amount would only be payable if all employees were to retire/resign at the same time.)

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities. Figure A-4, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

Figure A-4
Changes in Net Assets

	<u>2012</u>	<u>2011</u>	<u>INC./DEC.</u> <u>DOLLARS</u>
Revenues:			
Program revenue			
State grants & entitlements	\$13,417,236	\$11,175,008	\$(2,242,228)
General Revenue			
Local tax levy	95,477,834	96,781,595	(1,303,761)
Federal and State aid	79,942,565	78,846,735	1,095,830
Miscellaneous Revenues (Inc. Special items & Transfers)	<u>1,236,249</u>	<u>1,252,074</u>	<u>(15,825)</u>
Total General Revenues	<u>176,656,648</u>	<u>176,880,404</u>	<u>(223,756)</u>
Total Revenues	<u>\$190,073,883</u>	<u>\$188,055,412</u>	<u>\$2,018,471</u>
Functions/Program Expenses:			
Instruction			
Regular programs	57,542,173	56,644,936	897,237
Special programs	13,801,887	13,518,058	283,829
Other instructional programs	4,019,817	4,587,670	(567,853)
Support Services			
Student services	17,570,726	17,720,805	(150,079)
Tuition	12,325,903	11,986,301	339,602
Instructional Staff Support			
General administration and Business services	2,484,370	2,667,510	(183,140)
School administration	7,434,736	7,476,233	(41,497)
Plant services	14,500,756	14,397,901	102,855
Student transportation services	8,668,131	8,152,631	515,500
Unallocated benefits	46,651,663	41,394,402	5,257,261
Unallocated depreciation and amortization	1,069,061	1,050,650	18,411
Community services programs	135,387	136,290	(903)
Interest on long-term debt	<u>2,117,376</u>	<u>2,290,847</u>	<u>(173,471)</u>
Total expenses	<u>\$188,321,987</u>	<u>\$182,024,234</u>	<u>\$6,297,753</u>
Increase (decrease) net assets	\$1,751,896	\$6,031,178	(\$4,279,282)

Governmental Activities

As reported in the Statement of Activities, the net cost of all our governmental activities this year was \$188,321,987. These costs were financed by \$95,477,834 in local property school taxes, \$79,942,565 in federal and state aid, and \$1,236,249 in miscellaneous revenues including interest, general entitlements, special items and transfers.

In Figure A-5, below, we have presented the cost of each of the school district's seven largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

Figure A-5

	Governmental Activities Total Cost of Services <u>2012</u>	Governmental Activities Total Cost of Services <u>2011</u>
Regular programs instruction	\$57,542,173	56,644,936
Unallocated benefits	46,651,663	41,394,402
Student services	17,570,726	17,720,805
Plant services	14,500,756	14,397,901
Tuition	12,325,903	11,986,301
Special programs instruction	13,801,887	13,518,058
Pupil Transportation	8,668,131	8,152,631
All others	17,260,748	18,209,200
Total	<u>\$188,321,987</u>	<u>\$182,024,234</u>

This increase includes \$7,505,630 million in ON-BEHALF TPAF pension contributions and post retirement medical contributions paid by the State of New Jersey and an increase in funding workers' compensation claims and \$5,685,562.59 million in reimbursed TPAF social security contributions.

Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of \$22,304,523.02 which represents an increase of \$1,786,518.73 from last year. The primary reasons for the increase are:

1. *Positive budget variances for 2011-2012*
2. *Additional non-budgeted state aid - Extraordinary Aid*

General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus.

Actual revenues reflect a positive variance of \$15.4 million. This is due primarily to two factors:

1. *The State reimbursement in the amount of \$5.685 million for social security contributions and \$7.505 million on behalf of contributions for TPAF pension and post retirement medical. This is always a non-budgeted item that the State requires be included in the final audit.*
2. *Interest earnings in excess of projection.*

Actual expenditures reflect a negative variance of \$501thousand even though several budget lines show a positive variance. This again is primarily due to the State requirement to include social security contributions and on behalf of TPAF pension and post retirement medical benefits contributions in the audit.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2012, the school district had \$110,664,427 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, construction in progress, vehicles, furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of \$812,239 or -0.728% from fiscal year 2011.

Figure A-6
Capital Assets at Year-End
(Rounded)

	Governmental Activities 2012	Governmental Activities 2011
Land	1,248,202	1,248,202
Construction in Progress	417,809	2,825,221
Buildings and Improvements	55,026,590	55,026,590
Furniture, Equipment and Vehicles	6,019,985	6,304,663
Improvements Including Buildings	47,951,840	46,071,990
Total	<u>\$110,664,427</u>	<u>\$111,476,666</u>

This year's net additions are reported at \$604,650.44. The construction projects (construction in progress) have been completed and have been recorded within the appropriate Capital Fixed Asset category and depreciated accordingly.

Long-Term Debt

At the end of this year, the school district has \$46,660,000 in bonds and capital leases outstanding versus \$48,975,000 last year – a decrease of 4.73%. Those long-term debt consisted of:

	Outstanding Debt, at Year-End (Rounded)	
	Governmental Activities 2012	Governmental Activities 2011
Lease purchase obligations	<u>\$ 2,360,000</u>	<u>3,090,000</u>
General obligation bonds (Guaranteed by the Township)	<u>\$44,300,000</u>	<u>45,885,000</u>

The school district's general obligation bond rating continues to be AAA. The state limits the amount of general obligation debt that cities can issue to 4.0% of the average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding general obligation debt of \$44,300,000 is significantly below the statutorily-imposed limit.

Other obligations include accrued vacation pay and sick leave. We present more detailed information about our long-term liabilities in the notes to the financial statement.

FACTORS AFFECTING THE DISTRICT'S FUTURE

- Although the Hamilton Township School District continues to be highly efficient and financially stable, the overall status of the world and state economy could have an impact on the district's future budgets.
- The Hamilton Township School District will conduct its election in November. There is no vote required on the school budget if the election is held in November and the property tax levy does not increase by more than 2%. This should prove helpful to our district as voters have a track record of voting down school budgets in Hamilton.
- State Aid allocations have been volatile in Hamilton over the past five years. This makes the budgeting process difficult because the information comes late in the budgeting process and cannot be depended upon. We are hopeful this situation will stabilize or aid will increase. We continue to be \$12 million underfunded according to the Taxpayers' Comparative Spending Guide.

- Health benefit reforms have assisted in containing these costs for the future. However, these costs will continue to increase and be a major expense for this district.
- Salary increases appear to have been decreasing as well, but salaries statewide continue to grow incrementally and will be a major expense for the foreseeable future.
- The district has recently committed significant resources in order to improve the education program. We are hopeful this will translate in a measurable increase in student performance.
- The district has engaged in an Energy Savings Improvement Program that will eventually yield a significant amount of upgrades to our energy management system with no increase to the general fund budget. The hope is to begin to contain and stabilize wildly fluctuating utility costs.
- Salaries, benefits, student transportation, energy costs and private tuition continue to comprise nearly 90 percent of the entire budget.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact Joseph Tramontana, Business Administrator/Board Secretary, at Hamilton Township Board of Education, 90 Park Avenue, Hamilton, New Jersey 08690.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SECTION – A

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 20,601,790.73	\$ 3,421.19	\$ 20,605,211.92
Receivables, net	1,489,488.23	127,417.89	1,616,906.12
Receivables from other funds	841.31	650,836.45	651,677.76
Inventory	424,961.06	82,845.28	507,806.34
Restricted assets:			
Capital reserve account - cash	2,005,036.98		2,005,036.98
Maintenance reserve account - cash	700,000.00		700,000.00
Unamortized issuance costs on refinancing	283,999.41		283,999.41
Capital assets, net (Note 3):	<u>53,089,385.57</u>	<u>135,245.94</u>	<u>53,224,631.51</u>
Total Assets	<u>78,595,503.29</u>	<u>999,766.75</u>	<u>79,595,270.04</u>
LIABILITIES			
Accounts payable	974,561.49	275,126.06	1,249,687.55
Accrued interest payable	706,746.48		706,746.48
Interfund payable	812,524.06		812,524.06
Workers compensation claims payable	692,545.71		692,545.71
Deferred revenue	23,743.65	27,349.05	51,092.70
Other Current Liabilities	17,040.00		17,040.00
Noncurrent liabilities (Note 4):			
Due within one year	2,385,000.00		2,385,000.00
Due beyond one year	47,508,868.23	2,633.33	47,511,501.56
Unamortized premium/discount on refinancing	16,539.45		16,539.45
Deferred amount on refinancing	<u>(481,658.40)</u>		<u>(481,658.40)</u>
Total liabilities	<u>52,655,910.67</u>	<u>305,108.44</u>	<u>52,961,019.11</u>
NET ASSETS			
Invested in capital assets, net of related debt	34,978,503.94	135,245.94	35,113,749.88
Restricted for:			
Debt service	2,638,621.11		2,638,621.11
Capital projects	4,865,968.83		4,865,968.83
Other purposes	12,980,671.88		12,980,671.88
Unrestricted (Deficit)	<u>(29,524,173.14)</u>	<u>559,412.37</u>	<u>(28,964,760.77)</u>
Total net assets	<u>\$ 25,939,592.62</u>	<u>\$ 694,658.31</u>	<u>\$ 26,634,250.93</u>
Total Net Assets and Liabilities	<u>\$ 78,595,503.29</u>	<u>\$ 999,766.75</u>	<u>\$ 79,595,270.04</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

- 31 -

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	\$57,542,172.81				(57,542,172.81)		(\$57,542,172.81)
Special education	13,801,886.91				(13,801,886.91)		(13,801,886.91)
Other special instruction	1,997,707.43				(1,997,707.43)		(1,997,707.43)
Other instruction	1,603,512.07				(1,603,512.07)		(1,603,512.07)
Adult/continuing education programs	418,597.48				(418,597.48)		(418,597.48)
Support services:							
Tuition	12,325,903.40				(12,325,903.40)		(12,325,903.40)
Student & instruction related services	17,570,725.94				(17,570,725.94)		(17,570,725.94)
School administrative services	7,434,736.14				(7,434,736.14)		(7,434,736.14)
General & other administrative services	2,484,370.07				(2,484,370.07)		(2,484,370.07)
Plant operations and maintenance	14,500,755.94				(14,500,755.94)		(14,500,755.94)
Pupil transportation	8,668,131.13				(8,668,131.13)		(8,668,131.13)
Unallocated benefits	46,651,662.71		13,191,192.59		(33,460,470.12)		(33,460,470.12)
Special schools	135,387.18				(135,387.18)		(135,387.18)
Interest on long-term debt	2,117,376.24		226,043.00		(1,891,333.24)		(1,891,333.24)
Unallocated depreciation and amortization	1,069,061.30				(1,069,061.30)		(1,069,061.30)
Total governmental activities	<u>188,321,986.75</u>		<u>13,417,235.59</u>		<u>(174,904,751.16)</u>		<u>(174,904,751.16)</u>
Business-type activities:							
Food Service	<u>3,082,250.75</u>	<u>1,316,445.53</u>	<u>1,944,034.41</u>			<u>178,229.19</u>	<u>178,229.19</u>
Total business-type activities	<u>3,082,250.75</u>	<u>1,316,445.53</u>	<u>1,944,034.41</u>			<u>178,229.19</u>	<u>178,229.19</u>
Total primary government	<u>\$191,404,237.50</u>	<u>\$1,316,445.53</u>	<u>\$15,361,270.00</u>		<u>(\$174,904,751.16)</u>	<u>\$178,229.19</u>	<u>(\$174,726,521.97)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net							
\$94,940,634.00							
Taxes levied for debt service							
537,200.00							
Federal and State aid not restricted							
74,407,105.98							
Federal and State aid restricted							
5,535,459.07							
Investment Earnings							
395,856.07							
Miscellaneous Income							
1,145,364.11							
Loss on Disposal of Assets							
(39,497.31)							
Transfers - Charter School							
(265,474.32)							
Total general revenues, special items, and transfers							
176,656,647.60							
Change in Net Assets							
1,751,896.44							
179,477.93							
1,931,374.37							
Net Assets—beginning							
24,187,696.18							
Net Assets—ending							
515,180.38							
24,702,876.56							
Net Assets—ending							
\$25,939,592.62							
\$694,658.31							
\$26,634,250.93							

The accompanying Notes to Financial Statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

SECTION – B

GOVERNMENTAL FUNDS

HAMILTON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 16,111,313.64	\$ (142,511.59)	\$ 1,906,686.68	\$ 2,638,621.11	\$ 20,514,109.84
Investments					
Receivables, net	23,302.08				23,302.08
Receivables from other governments	658,075.14	669,162.46	137,919.72		1,465,157.32
Other receivables	871.18	157.65			1,028.83
Interfund Accounts Receivable	841.31				841.31
Interest receivable on investments					
Inventory	424,961.06				424,961.06
Restricted cash and cash equivalents	2,705,036.98				2,705,036.98
Total assets	19,924,401.39	526,808.52	2,044,606.40	2,638,621.11	25,134,437.42
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	471,496.62	503,064.87			974,561.49
Interfund payable	1,814,569.26				1,814,569.26
Other Current Liabilities	17,040.00				17,040.00
Deferred revenue		23,743.65			23,743.65
Total liabilities	2,303,105.88	526,808.52			2,829,914.40
Fund Balances:					
Nonspendable:					
Inventory	424,961.06				424,961.06
Restricted for:					
Capital reserve account	2,005,036.98				2,005,036.98
Maintenance Reserve Account	700,000.00				700,000.00
Debt service				2,638,621.11	2,638,621.11
Excess surplus - current year	6,008,327.74				6,008,327.74
Excess surplus - prior year	5,304,926.91				5,304,926.91
Committed for:					
Capital projects			2,845,990.69		2,845,990.69
Assigned to:					
Capital projects			14,941.16		14,941.16
Other purposes	534,456.67				534,456.67
Unassigned	2,643,586.15		(816,325.45)		1,827,260.70
Total Fund balances	17,621,295.51		2,044,606.40	2,638,621.11	22,304,523.02
Total liabilities and fund balances	\$ 19,924,401.39	\$ 526,808.52	\$ 2,044,606.40	\$ 2,638,621.11	\$ 25,134,437.42

The accompanying Notes to Financial Statements are an integral part of this statement.

HAMILTON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

\$ 22,304,523.02

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$110,664,426.99, and the accumulated depreciation is \$57,575,041.42

53,089,385.57

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(49,893,868.23)

Short-term Liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.

(706,746.48)

Transactions related to a current refunding of a long-term debt, refinancing of lease agreement are not reported in the funds.

Cost of issuance, net of amortization

283,999.41

Issuance discount, net of amortization

115,791.00

Issuance premium, net of amortization

(132,330.45)

Deferred amount on refunding, net of amortization

481,658.40

Transactions related to the Internal Service Fund - Workmans Compensation

397,180.38

Net assets of governmental activities

\$ 25,939,592.62

The accompanying Notes to Financial Statements are an integral part of this statement.

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local tax levy	\$ 94,940,634.00	\$	\$	\$ 537,200.00	\$ 95,477,834.00
Miscellaneous	1,495,569.63		7,379.35	16,577.20	1,519,526.18
Local sources		21,694.00			21,694.00
State sources	84,791,160.28	1,161,389.86	165,781.91	226,043.00	86,344,375.05
Federal sources	2,807,138.29	4,208,287.30			7,015,425.59
Total revenues	<u>184,034,502.20</u>	<u>5,391,371.16</u>	<u>173,161.26</u>	<u>779,820.20</u>	<u>190,378,854.82</u>
EXPENDITURES					
Current:					
Regular instruction	52,587,958.53	3,142,281.88			55,730,240.41
Special education instruction	13,857,309.69				13,857,309.69
Other special instruction	1,997,707.43				1,997,707.43
Other instruction	1,603,512.07				1,603,512.07
Adult/continuing education programs	418,597.48				418,597.48
Support services and undistributed costs:					
Tuition	12,325,903.40				12,325,903.40
Student & instruction related services	15,332,630.23	2,238,095.71			17,570,725.94
School administrative services	7,434,736.14				7,434,736.14
General & other administrative services	2,380,556.16				2,380,556.16
Plant operations and maintenance	14,288,583.47				14,288,583.47
Pupil transportation	8,668,131.13				8,668,131.13
Unallocated Benefits	46,561,482.07				46,561,482.07
Special schools	135,387.18				135,387.18
Debt service:					
Principal				2,315,000.00	2,315,000.00
Interest and other charges				2,222,166.29	2,222,166.29
Capital outlay	505,461.03	10,993.57	300,368.31		816,822.91
Total expenditures	<u>178,097,956.01</u>	<u>5,391,371.16</u>	<u>300,368.31</u>	<u>4,537,166.29</u>	<u>188,326,861.77</u>
Excess (Deficiency) of revenues over expenditures	<u>5,936,546.19</u>		<u>(127,207.05)</u>	<u>(3,757,346.09)</u>	<u>2,051,993.05</u>
OTHER FINANCING SOURCES (USES)					
Transfers in			1,553,849.00	3,150,000.00	4,703,849.00
Transfers out	(4,969,323.32)				(4,969,323.32)
Total other financing sources and uses	<u>(4,969,323.32)</u>		<u>1,553,849.00</u>	<u>3,150,000.00</u>	<u>(265,474.32)</u>
Net change in fund balances	967,222.87		1,426,641.95	(607,346.09)	1,786,518.73
Fund balance—July 1	16,654,072.64		617,964.45	3,245,967.20	20,518,004.29
Fund balance—June 30	<u>\$ 17,621,295.51</u>	<u>\$</u>	<u>\$ 2,044,606.40</u>	<u>\$ 2,638,621.11</u>	<u>\$ 22,304,523.02</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Total net change in fund balances - governmental funds (from B-2) **\$ 1,786,518.73**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense	(2,696,012.36)	
Capital outlays	<u>604,650.44</u>	(2,091,361.92)

Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	2,315,000.00
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In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)	(39,497.31)
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In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an subtraction in the reconciliation. (-)	104,790.05
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In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	(94,282.23)
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Amortization Expenses - Combined	(125,456.97)
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Internal Service Fund-Workers Compensation, change in net assets	<u>(103,813.91)</u>
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Change in net assets of governmental activities **\$ 1,751,896.44**

The accompanying Notes to Financial Statements are an integral part of this statement.

PROPRIETARY FUNDS

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Business-type Activities - Enterprise Funds		Governmental Activities - Internal Service Fund
	<u>Food Service</u>	<u>Totals</u>	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,421.19	\$ 3,421.19	\$ 87,680.89
Accounts receivable	127,417.89	127,417.89	
Interfund receivable	650,836.45	650,836.45	1,002,045.20
Inventories	82,845.28	82,845.28	
Total current assets	<u>864,520.81</u>	<u>864,520.81</u>	<u>1,089,726.09</u>
Noncurrent assets:			
Furniture, machinery & equipment	276,749.01	276,749.01	
Less accumulated depreciation	<u>(141,503.07)</u>	<u>(141,503.07)</u>	
Total noncurrent assets	<u>135,245.94</u>	<u>135,245.94</u>	
Total assets	<u>999,766.75</u>	<u>999,766.75</u>	<u>1,089,726.09</u>
LIABILITIES			
Current liabilities:			
Accounts payable	275,126.06	275,126.06	
Claims payable			692,545.71
Deferred revenue	<u>27,349.05</u>	<u>27,349.05</u>	
Total current liabilities	<u>302,475.11</u>	<u>302,475.11</u>	<u>692,545.71</u>
Noncurrent Liabilities:			
Compensated absences	<u>2,633.33</u>	<u>2,633.33</u>	
Total noncurrent liabilities	<u>2,633.33</u>	<u>2,633.33</u>	
Total liabilities	<u>305,108.44</u>	<u>305,108.44</u>	<u>692,545.71</u>
NET ASSETS			
Invested in capital assets net of related debt	135,245.94	135,245.94	
Unrestricted (Deficit)	<u>559,412.37</u>	<u>559,412.37</u>	<u>397,180.38</u>
Total net assets	<u>\$ 694,658.31</u>	<u>\$ 694,658.31</u>	<u>\$ 397,180.38</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Business-type Activities - Enterprise Fund Food Service	Total Enterprise Fund	Governmental Activities - Internal Service Fund
Operating revenues:			
Charges for services:			
Daily sales - reimbursable programs	\$ 771,560.85	\$ 771,560.85	\$
Daily sales - non-reimbursable programs	544,884.68	544,884.68	
Total operating revenues	<u>1,316,445.53</u>	<u>1,316,445.53</u>	
Operating expenses:			
Cost of sales	1,384,630.88	1,384,630.88	
Salaries	1,194,042.12	1,194,042.12	
Employee benefits	74,604.77	74,604.77	
Management and Consultant Fees	240,321.29		
Insurance			133,689.35
General supplies	168,975.96	168,975.96	
Depreciation	<u>19,675.73</u>	<u>19,675.73</u>	
Total Operating Expenses	<u>3,082,250.75</u>	<u>2,841,929.46</u>	<u>133,689.35</u>
Operating income (loss)	<u>(1,765,805.22)</u>	<u>(1,525,483.93)</u>	<u>(133,689.35)</u>
Nonoperating revenues (expenses):			
State sources:			
State school lunch/breakfast programs	41,189.19	41,189.19	
Federal sources:			
National school lunch program	1,524,516.35	1,524,516.35	
National school breakfast program	229,692.81	229,692.81	
Food distribution program	148,636.06	148,636.06	
Interest and investment revenue	<u>1,248.74</u>	<u>1,248.74</u>	
Total nonoperating revenues (expenses)	<u>1,945,283.15</u>	<u>1,945,283.15</u>	
Income (loss) before contributions & transfers	179,477.93	419,799.22	(133,689.35)
Transfers in (out)			<u>29,875.44</u>
Change in net assets	<u>179,477.93</u>	<u>419,799.22</u>	<u>(103,813.91)</u>
Total net assets—beginning	<u>515,180.38</u>	<u>515,180.38</u>	<u>500,994.29</u>
Total net assets—ending	<u>\$ 694,658.31</u>	<u>\$ 934,979.60</u>	<u>\$ 397,180.38</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 1,319,085.84	\$
Payments to employees	(1,708,766.44)	
Payments for employee benefits	(74,604.77)	(45,149.69)
Payments to suppliers	(1,194,533.79)	
Net cash provided by (used for) operating activities	<u>(1,658,819.16)</u>	<u>(45,149.69)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Federal and State Sources	1,772,943.23	
Miscellaneous Revenues		
Operating subsidies and transfers to/from other funds		71,424.09
Net cash provided by (used for) non-capital financing activities	<u>1,772,943.23</u>	<u>71,424.09</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(122,561.24)	
Net cash provided by (used for) capital and related financing activities	<u>(122,561.24)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends	1,248.74	
Net cash provided by (used for) investing activities	<u>1,248.74</u>	
Net increase (decrease) in cash and cash equivalents	(7,188.43)	26,274.40
Balances—beginning of year	10,609.62	61,406.49
Balances—end of year	<u><u>\$ 3,421.19</u></u>	<u><u>\$ 87,680.89</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (1,765,805.22)	\$ (133,689.35)
Adjustments to reconcile operating income (loss) to net cash provided by (used for)(used for) operating activities		
Depreciation and net amortization	19,675.73	
Federal commodities - non cash	148,636.06	
(Increase) decrease in inventories	(15,664.44)	
Increase (decrease) in other claims payable		88,539.66
Increase (decrease) in accounts payable	121,864.28	
Increase (decrease) in compensated absences payable	(491.67)	
Increase (decrease) in deferred revenues	15,664.44	
Increase (decrease) in interfunds receivable	(187,300.11)	
Increase (decrease) in accounts receivable	4,601.77	
Total adjustments	<u>106,986.06</u>	<u>88,539.66</u>
Net cash provided by (used for) operating activities	<u><u>\$ (1,658,819.16)</u></u>	<u><u>\$ (45,149.69)</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

FIDUCIARY FUNDS

**HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012**

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and cash equivalents	\$2,067,995.79	\$3,959.04	\$788,327.30
Investments, at fair value:			
Certificates of deposit		196,393.27	
Total investments		196,393.27	
Other Receivable		2,668.94	
Interfunds Receivable	59,533.79	934.18	160,753.43
Total assets	2,127,529.58	203,955.43	949,080.73
LIABILITIES			
Accounts payable	66,424.88		
Interfunds payable		841.31	59,533.79
Payable to student groups			
Payroll deductions and withholdings			889,546.94
Other Liabilities			
Total liabilities	66,424.88	841.31	\$949,080.73
NET ASSETS			
Held in trust for unemployment claims and other purposes	<u>\$2,061,104.70</u>		
Reserved for scholarships		<u>\$203,114.12</u>	

The accompanying Notes to Financial Statements are an integral part of this statement.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Contributions:		
Plan member	\$ 186,620.63	\$
Other		5,293.00
Total Contributions	<u>186,620.63</u>	<u>5,293.00</u>
Investment earnings:		
Interest	<u>28,245.23</u>	<u>2,371.45</u>
Net investment earnings	<u>28,245.23</u>	<u>2,371.45</u>
Total additions	<u>214,865.86</u>	<u>7,664.45</u>
DEDUCTIONS		
Interfund paybles		
Unemployment claims	334,877.02	
Scholarships awarded		9,000.00
Total deductions	<u>334,877.02</u>	<u>9,000.00</u>
Change in net assets	(120,011.16)	(1,335.55)
Net assets—beginning of the year	<u>2,181,115.87</u>	<u>204,449.67</u>
Net assets—end of the year	<u>\$ 2,061,104.71</u>	<u>\$ 203,114.12</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

HAMILTON TOWNSHIP SCHOOL DISTRICT
COUNTY OF MERCER, NEW JERSEY

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Board of Education (Board) of Hamilton Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued codification of governmental accounting and financial reporting standards dated June 30, 2000. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments. This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, issued in June 1999.

The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Hamilton School District is a Type II district located in the County of Mercer, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms and two sending district members appointed annually. The purpose of the district is to educate students in grades K-12. The Hamilton School District had an approximate enrollment at June 30, 2012 of 12,454 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization’s board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

Basic Financial Statement Presentation

The District-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the Statements of Fiduciary Net Assets at the Fund Financial Statement level.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basic Financial Statement Presentation (cont'd)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational; or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net assets are available. Depreciation expense can be specifically identified by function and is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. The effect of interfund activity has been removed from these statements. Separate Fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Internal Service Fund is presented in the proprietary fund financial statements. Because the principal user of the internal services are the District's governmental activities, the financial statement of the internal service fund is consolidated into the governmental column when presented in the governmentwide financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service fund is charges to customers for service. Operating expenses for the internal service fund include the cost of services. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the District-wide statements.

B. Fund Accounting:

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election and lease purchase obligations authorized by the Board.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds and lease purchase obligations issued to finance major property acquisition, construction and improvement programs.

Permanent Fund - The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs.

PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

Enterprise Funds - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method.

Internal Service Fund - The Internal Service Fund has been established to account for the financing of worker compensation risk management for the Hamilton Township School District.

FIDUCIARY FUNDS

Agency Fund - The Agency Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

Employee Benefit Trust (Unemployment Insurance) - Employee Benefit Trust should be used to report resources that are required to be held in trust for members and beneficiaries of employee benefit plans.

Private Purpose Scholarship Trust - The Private Purpose Scholarship Trust should be used to report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

C. Basis of Accounting and Measurement Focus:

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Basis of Accounting and Measurement Focus (cont'd):

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

Revenue Recognition – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within one year.

Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”.

Recording of Expenditures – Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that interest and principal expenditures in the Debt Service Fund are recognized on their due dates.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District’s proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Budgets/Budgetary Control (cont'd):

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the special revenue funds from the budgetary basis of accounting as presented in the Combined Schedule of Revenues and Expenditures – Budgetary Basis to the GAAP basis of accounting as presented in the Statement of Revenues, Expenses and Changes in Fund Balances - Governmental Funds.

Note that the district does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) “revenues” from the budgetary comparison schedules	\$184,529,218.20	\$5,393,494.32
Difference – Budget to GAAP:		
Reserve for Encumbrances (net).		(2,123.16)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	6,978,951.00	
The last state Aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognized the related expenses (GASB 33)	(7,473,667.00)	-0-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds.	<u>\$184,034,502.20</u>	<u>\$5,391,371.16</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) “total outflows” from the budgetary comparison schedule	\$178,097,956.01	\$5,393,494.32
Differences – budget to GAAP:		
Reserve for Encumbrances (net)	-0-	(2,123.16)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds.	<u>\$178,097,956.01</u>	<u>\$5,391,371.16</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

E. Reserve for Encumbrances:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

F. Cash, Cash Equivalents and Investments:

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District utilizes a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

G. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

H. Tuition Payable

Tuition charges for the fiscal years 2010-11 and 2011-12 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

I. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase. Under GAAP, the School District has recorded inventory as reported within the General Fund, in the amount of \$424,961.06, offset with a Reserve for Inventory. The Hamilton School District accounts for its inventory under the purchase method and subsequently allocates within its detailed location accounts consumption of inventory.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

J. Short-Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

K. Capital Assets:

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,000 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the District-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in progress.

The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

L. Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences."

The entire compensated absences liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is in the amount expected to be paid using expendable available resources. The noncurrent portion of the liability is reported.

M. Deferred Revenue:

Deferred revenue in the special revenue fund represents cash that has been received, but not yet earned.

N. Long-term Obligations:

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. Fund Equity:

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

P. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as capital reserve requirements and proceeds from the issuing of the bonds and leases related to the capital project.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Q. Net Assets:

Net assets represent the difference between assets and liabilities in the District-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulation depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the District-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

R. Accounts Receivable State of NJ EDA Grants:

The District recognizes EDA grant revenue as earned, i.e. as eligible expenditures are incurred. It is assumed that project completion will continue at a pace that will permit the filing of reimbursement vouchers within a time frame which meets the availability criterion for revenue recognition under GAAP.

S. Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

T. Costs of Issuance/Premium/Discount/Deferred Amount on Refunding:

Bond issuance costs, bond premiums, bond discounts, and deferred amounts on refunding/refinancing are deferred and amortized over the term of the bonds/leases using the straight line method. Unamortized issuance costs are recorded as the other assets, whereas unamortized bond premiums and deferred amounts on refunding are presented as a reduction of outstanding bond principal.

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Hamilton Township School District had the following depository accounts. All deposits are carried at cost plus accrued interest. The government does not have a deposit policy.

<u>Depository Account</u>	<u>Amount</u>
Insured – FDIC	\$763,801.92
Insured – NJGUDPA (N.J.S.A. 17:941)	<u>31,236,337.22</u>
Total on Deposit	<u>\$32,000,139.14</u>

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of bank failure, the Board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2012, no amount of the Board's bank balance of \$32,000,139.14 were considered to be exposed to custodial risk. (See Note 1.F relating to statutory mitigation of custodial risk in the event of bank failure).

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2012, the District had no funds on deposit with the New Jersey Cash Management Fund.

The District's investments at fiscal year-end June 30, 2012 were as follow:

<u>Investment Type</u>	<u>Total Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>11-15</u>
Certificate of Deposit	<u>\$259,393.27</u>		<u>\$259,393.27</u>		

NOTE 3 - DISCLOSURE OF INFORMATION ABOUT CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital Assets That Are Not Being Depreciated:					
Land	\$ 1,248,202.00	\$	\$	\$	\$ 1,248,202.00
Construction in Progress	<u>2,825,221.42</u>	<u>331,438.31</u>	<u>(2,738,850.35)</u>		<u>417,809.38</u>
Total Capital Assets Not Being Depreciated	<u>4,073,423.42</u>	<u>331,438.31</u>	<u>(2,738,850.35)</u>		<u>1,666,011.38</u>
Buildings	55,026,590.00				55,026,590.00
Buildings/Other Improvements	46,071,989.92		2,738,850.35	859,000.00	47,951,840.27
Machinery, Equipment, Furniture & Vehicles	<u>6,304,662.21</u>	<u>273,212.13</u>		<u>557,889.00</u>	<u>6,019,985.34</u>
Totals at Historical Cost	<u>107,403,242.13</u>	<u>273,212.13</u>	<u>2,738,850.35</u>	<u>1,416,889.00</u>	<u>108,998,415.61</u>
Less Accumulated Depreciation For:					
Buildings	(39,394,566.24)	(989,636.12)			(40,384,202.36)
Buildings/Other Improvements	(12,058,232.09)	(1,405,708.40)		(859,000.00)	(12,604,940.49)
Equipment, Furniture, and Vehicles	<u>(4,803,622.42)</u>	<u>(300,667.84)</u>		<u>(518,391.69)</u>	<u>(4,585,898.57)</u>
Total Accumulated Depreciation	<u>(56,256,420.75)</u>	<u>(2,696,012.36)</u>		<u>(1,377,391.69)</u>	<u>(57,575,041.42)</u>
Total Capital Assets Being Depreciated (Net of Accumulated Depreciation)	<u>51,146,821.38</u>	<u>(2,091,361.92)</u>		<u>39,497.31</u>	<u>51,423,374.19</u>
Government Activities Capital Assets, Net	<u>\$ 55,220,244.80</u>	<u>\$ (1,759,923.61)</u>	<u>\$</u>	<u>\$ 39,497.31</u>	<u>\$ 53,089,385.57</u>
Business-type Activities					
Equipment	\$ 154,187.77	\$ 122,561.24	\$	\$	\$ 276,749.01
Less Accumulated Depreciation for:					
Equipment	<u>(121,827.34)</u>	<u>(19,675.73)</u>			<u>(141,503.07)</u>
Business-type Activities Capital Assets, Net	<u>\$ 32,360.43</u>	<u>\$ 102,885.51</u>	<u>\$</u>	<u>\$</u>	<u>\$ 135,245.94</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,752,408.03
Direct Expense of Various Functions	<u>943,604.33</u>
Total depreciation expense	<u>\$ 2,696,012.36</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - DISCLOSURE OF INFORMATION ABOUT LONG TERM LIABILITIES

Long-term debt liability activity for the year ended June 30, 2012 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$ <u>45,885,000.00</u>	\$ <u> </u>	\$ <u>1,585,000.00</u>	\$ <u>44,300,000.00</u>	\$ <u>1,630,000.00</u>
Total Bonds Payable	<u>45,885,000.00</u>	<u> </u>	<u>1,585,000.00</u>	<u>44,300,000.00</u>	<u>1,630,000.00</u>
Other Liabilities:					
Obligations Under Capital Lease	3,090,000.00		730,000.00	2,360,000.00	755,000.00
Compensated Absences Payable	<u>3,139,586.00</u>	<u>369,281.75</u>	<u>274,999.52</u>	<u>3,233,868.23</u>	<u> </u>
Total Other Liabilities	<u>6,229,586.00</u>	<u>369,281.75</u>	<u>1,004,999.52</u>	<u>5,593,868.23</u>	<u>755,000.00</u>
Total Liabilities	\$ <u><u>52,114,586.00</u></u>	\$ <u><u>369,281.75</u></u>	\$ <u><u>2,589,999.52</u></u>	\$ <u><u>49,893,868.23</u></u>	\$ <u><u>2,385,000.00</u></u>
Business-type activities					
Enterprise fund:					
Compensated Absences Payable	\$ <u>3,125.00</u>	\$ <u> </u>	\$ <u>491.67</u>	\$ <u>2,633.33</u>	\$ <u> </u>
Total Liabilities	\$ <u><u>3,125.00</u></u>	\$ <u><u> </u></u>	\$ <u><u>491.67</u></u>	\$ <u><u>2,633.33</u></u>	\$ <u><u> </u></u>

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Cont'd)

A. Bonds Payable -- Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

Principal and interest due on bonds outstanding as at June 30, 2012 is as follows:

Year ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$1,730,000.00	\$2,051,848.76	\$3,781,848.76
2014	1,810,000.00	1,992,914.26	3,802,914.26
2015	1,915,000.00	1,925,029.88	3,840,029.88
2016	3,450,000.00	1,816,249.25	5,266,249.25
2017	3,715,000.00	1,671,998.00	5,386,998.00
2018	3,820,000.00	1,526,520.50	5,346,520.50
2019	4,135,000.00	1,345,723.00	5,480,723.00
2020	4,370,000.00	1,149,815.50	5,519,815.50
2021	4,670,000.00	935,774.25	5,605,774.25
2022	4,850,000.00	701,751.75	5,551,751.75
2023	3,095,000.00	458,298.75	3,553,298.75
2024	3,275,000.00	282,168.25	3,557,168.25
2025	3,465,000.00	95,807.25	3,560,807.25
	<u>\$44,300,000.00</u>	<u>\$15,953,899.40</u>	<u>\$60,253,899.40</u>

B. Bonds Authorized But Not Issued -- As of June 30, 2012, the District had no bonds or notes authorized but not issued.

C. Capital Leases -- The District participated in the following lease purchase agreements for the construction and improvements of school facilities and additions to schools, equipping of school facilities, and the acquisition of computers and equipment. The following are schedules of the future minimum lease payments under the capital leases and the net minimum lease payments at June 30, 2012.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (CONT'D)

C. Capital Leases (Cont'd)

1993 M.C.I.A. Lease Purchase Agreement,
As Refinanced Sept, 2003 - 2003 Refunding Series

Year Ended June 30,	<u>Amount</u>
2013	\$835,590.00
2014	833,711.25
2015	<u>836,400.00</u>
Total Minimum Lease Payments	2,505,701.25
Less: Amount Representing Interest	<u>(145,701.25)</u>
Present Value of Net Minimum Lease Payments	<u>\$2,360,000.00</u>

NOTE 5. OPERATING LEASES

The District has commitments to lease building space and office equipment under operating leases. Total operating lease payments made during the year ended June 30, 2012 were \$273,759.68 Future minimum lease payments are as follows:

Year Ending June 30,		
2013	\$	236,842.36
2014		<u>206,019.27</u>
Total future minimum lease payments	\$	<u>442,861.63</u>

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be accessed via the Division of Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement System (DCRP) - The DCRP was established effective July 1, 2007 to provide coverage to certain elected and appointed officials who became excluded from the PERS system pursuant to the provisions of P.L. 2007, c. 92. In addition, certain members of the PERS and TPAF, enrolled after July 1, 2007 who earns salary in excess of those systems' maximum compensation limits are eligible for DCRP membership for the compensation not credited to PERS or TPAF participation.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. PENSION PLANS (Cont'd)

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Vesting in the DCRP occurs after one year of membership. Employer contributions to the DCRP are set at 3% of base salary.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Three-Year Trend Information for PERS

<u>Year Funding</u>		<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>		<u>Net Pension Obligation</u>
6/30/12	\$	2,282,595	100 %	\$	0
6/30/11		2,206,786	100		0
6/30/10		1,800,529	100		0

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

<u>Year Funding</u>		<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>		<u>Net Pension Obligation</u>
6/30/12	\$	2,493,349	100 %	\$	0
6/30/11		236,647	100		0
6/30/10		248,949	100		0

The TPAF amounts listed above include contribution requirement for pension costs and non-contributory insurance. In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$5,685,562.59, during the year ended June 30, 2012 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements.

NOTE 7. POST- RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service of an a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 7. POST- RETIREMENT BENEFITS (Cont'd)

At June 30, 2011, there were approximately 93,323 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the state in accordance with P.L.1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the costs attributable to Chapter 126, P.L. 1992, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members in Fiscal Year 2011.

The Division of Pensions issues a publicly available financial report that includes the financial statements and required supplementary information for the Health Benefits Program Fund – Local Government. This report may be accessed via the Division of Pensions and Benefits website, at www.state.nj.us/treasury/pensions, or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

The State's contributions to the Health Benefits Program Fund on-behalf of the District for TPAF retiree health benefits, for the last three years, is as follows:

Contribution Requirements

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

<u>Year Funding</u>	<u>Annual Post Retirement Medical Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/12	\$ 5,012,281	100 %	\$ 0
6/30/11	5,026,391	100	0
6/30/10	4,675,614	100	0

The TPAF amounts listed above include contribution requirement for post retirement medical costs.

NOTE 8. COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. COMPENSATED ABSENCES (cont'd)

District employees are granted varying amount of vacation and sick leave in accordance with the District's personnel policies. Upon termination, employees are reimbursed for accumulated vacation. The district's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the district for unused sick leave in accordance with the district's agreements with the various employee unions.

In the district-wide *Statement of Net Assets*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2012, a liability existed for compensated absences in the Food Service Fund in the amount of \$2,633.33.

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

The plan administrators are as follows:

IDS Life Ins. Co.
The Copeland Companies
Equitable
Fidelity Group
Great West
Minnesota Mutual's MultiOption
Pacific Life Select
Prudential
Valic
MFS/Sun Life
Lincoln Benefit Life Ins. Co.

NOTE 10. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Hamilton Township School District Board of Education, in the amount of \$1,000.00 by Board motion on September 27, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submissions of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriations amounts, or both.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. CAPITAL RESERVE ACCOUNT (cont'd)

A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to N.J.A.C. 6A:23A-14 1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the Capital Reserve Account for the July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning Balance, July 1, 2011	\$4,305,290.63
Increased by:	
Interest Earned	3,595.35
Transfer In	<u>2,000,000.00</u>
	<u>6,308,885.98</u>
Decreased by:	
2011/2012 Transfer to Debt Service Fund	3,150,000.00
Transfer to Capital Projects Fund	<u>1,153,849.00</u>
Ending Balance, June 30, 2012	<u><u>\$2,005,036.98</u></u>
<u>Analysis of Balance – June 30, 2012</u>	
Reserve for Capital Reserve	<u>\$2,005,036.98</u>
Total	<u><u>\$2,005,036.98</u></u>

NOTE 11. TRANSFER FROM CAPITAL OUTLAY TO CAPITAL PROJECTS FUND

During the year ended June 30, 2012, the District transferred \$400,000 from the capital outlay to capital projects fund.

NOTE 12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

Worker's Compensation Insurance – Effective July 1, 2006, the District obtained commercial insurance coverage for its Worker's Compensation Program. The applicable coverage's are set forth in the "Employers Liability Insurance Agreement".

Effective for the periods August 1, 1980 through June 30, 2005, in response to rising premiums for traditional risk transfer insurance coverage, the Board instituted a risk management program which combines risk retention and reinsurance coverage for claims relating to statutory worker's compensation.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT (cont'd)

For the fiscal year ending June 30, 2006, the Board had reinsurance policy coverage, which provides the following limits and retentions. The amounts differ for prior years excess coverage's:

Specific Excess Insurance:

Self-Insured Retention Per Occurrence	\$ 450,000
Maximum Limit of indemnity Per Occurrence	STATUTORY
Employers' Liability Maximum Limit of Indemnity Per Occurrence and Aggregate	\$ 1,000,000

Aggregate Excess Insurance:

Loss Fund Percentage for the Liability Period	121.00%
Minimum Loss Fund for the Liability Period	\$ 2,056,359
Maximum Limit of Indemnity of the CORPORATION for the Liability Period	\$ 1,000,000

The Board has engaged an outside claims service company to serve as administrator of the program. Loss reserves are established by the administrator for estimated benefits and expenses for reported claims. Established reserves are subject to change as facts and circumstances relating to claims dictate, and no provision is made for estimated losses relating to claims incurred but not reported. At June 30, 2012, the administrator has established an estimated reserve requirement for reported claims in the amount of \$692,545.71.

Changes in the estimated reserve requirement for reported claims during the fiscal year ended June 30, 2012 were as follows:

Estimated Reserve Requirement - June 30, 2011	\$604,006.05
Add: Reserves established for 2011-12 Year (Net of Adjustments to prior period claims)	133,689.35
Less: Payments upon settlement of claims	<u>45,149.69</u>
Estimated Reserve Requirement - June 30, 2012	<u>\$ 692,545.71</u>

Changes in financial resources available in the Worker's Compensation Internal Service Fund during the fiscal year ended June 30, 2012 were as follows:

Cash and Equivalents - June 30, 2011	\$ 61,406.49
Add: Board Contributions & Interfund Activity & Interest Income	71,424.09
Less: Payments upon settlement of claims	<u>45,149.69</u>
Cash and Equivalents - June 30, 2012	<u>\$ 87,680.89</u>

As shown in the basic financial statements, the Internal Service Fund is utilized to account for its risk activity - workmen's compensation activities.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. RISK MANAGEMENT (cont'd)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions & Interest Earnings</u>	<u>Amount Reimbursed/ Accrued</u>	<u>Ending Balance</u>
2011-2012	None	\$186,620.63	\$334,877.02	\$2,061,104.70
2010-2011	None	268,087.15	932,267.61	2,181,115.87
2009-2010	None	216,578.15	199,902.17	2,845,296.33

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets – fund financial statements as of June 30, 2012:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental Funds	\$ 841.31	\$ 1,814,569.26
Proprietary Funds	1,652,881.65	
Trust & Agency Funds	<u>161,687.61</u>	<u>841.31</u>
Total	\$ <u>1,815,410.57</u>	\$ <u>1,815,410.57</u>

NOTE 14. INVENTORY

Inventory in the Food Service Fund at June 30, 2012 consisted of the following:

Purchased:	
Food	\$ 36,134.98
Supplies	19,361.25
USDA Commodities	<u>27,349.05</u>
	<u>\$ 82,845.28</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the basic financial statements.

The General Fund reports inventory as at June 30, 2012 in the amount of \$424,961.06, which is offset by reserved general fund balance.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 15. FUND BALANCE APPROPRIATED

General Fund (B-1)- Of the \$17,621,295.51 total General Fund balance at June 30, 2012, \$534,456.67 is assigned to other purposes which is reserved for encumbrances; \$2,005,036.98 has been restricted for the Capital Reserve Account; \$700,000 has been restricted for the Maintenance Reserve Account; \$6,008,327.74 has been restricted for current year excess surplus; \$5,304,926.91 is for excess surplus prior year; \$424,961.06 is non-spendable for inventories; and the remaining \$2,643,586.15 is reported as unassigned.

Unassigned: - The District's budget and the designation of surplus are based upon the budgetary basis of accounting, and include revenue recognition for certain state aid payments that are not permitted under GAAP. The District's revenues, expenditures and changes in fund balance on the budgetary basis is set forth as Exhibit C-1 in the required supplementary information section of the CAFR.

The following is a Recapitulation of Unreserved/Undesignated General Fund Balance:

Unassigned Fund Balance (Exhibit C-1)	\$4,472,309.06
Less:	
State Aid Payments not Recognized – GAAP	<u>(7,473,667.00)</u>
Unassigned Fund Balance (Deficit)	(3,001,357.94)
Add:	
Unassigned – Designated for Subsequent Year's Expenditures	<u>5,644,944.09</u>
Unassigned Fund Balance (Exhibit B-1)	<u>\$2,643,586.15</u>

Debt Service Fund:

Restricted - Of the \$2,638,621.11 total Debt Service Fund fund balance at June 30, 2012, \$2,638,621.11 is restricted in a Sinking/Reserve fund.

NOTE 16. OTHER RESERVE ACCOUNTS

Pursuant to enabling legislation and rulemaking, the District is permitted to establish legally restricted Reserve funds for Maintenance. The activity of these reserve accounts and their status at June 30, 2012 is as follows:

Maintenance Reserve – The balance at the end of June 30, 2012 in this account is \$700,000.00

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 17. DEFICIT FUND BALANCES

The District did not have any deficit fund balances as of June 30, 2012 as reported in the fund statements (modified accrual basis). P.L. 2003, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action.

NOTE 18. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c73 (S1701), the designation for Restricted Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2012 is \$6,008,327.74.

NOTE 19. COMMITMENTS AND CONTINGENCIES

2004 Early Retirement Incentive Program (ERIP)

The District by resolution authorized the issuance of \$29,105,000 School District Refunding Bonds, Series 2004 to retire the present value of the Board's liability for the 2004 ERI Program.

Pursuant to the Bond Resolution the Board has established a Sinking/Reserve Fund for proceeds of the refunding bonds not remitted to the Division in order to satisfy the estimated liabilities. As at June 30, 2012, the Board reflects \$2,638,621.11 in the Sinking/Reserve Fund as reported within the Debt Service Fund.

The Bond Resolution sets forth the requirements of the Sinking/Reserve Fund.

Federal and State Assistance Programs

The Board participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of June 30, 2012, the Board does not believe that any material liabilities will result from such audits.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 19. COMMITMENTS AND CONTINGENCIES (Cont'd)

Contingencies – Pending Litigation

The District is a defendant in legal proceedings that are in various stages of litigation as well as being self-insured for prior years workers compensation coverage's. It is believed that the outcome, or exposure to the Board, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

For the fiscal years June 30, 2007 through 2012, the District maintained commercial insurance coverage for its Worker's Compensation program. The District maintains an Internal Service Fund for its Worker's Compensation program responsible for worker's compensation claims incurred during the self-insurance period through June 30, 2006.

**REQUIRED SUPPLEMENTARY
INFORMATION**

PART II

BUDGETARY COMPARISON SCHEDULES

SECTION – C

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 94,940,634.00	\$	\$ 94,940,634.00	\$ 94,940,634.00	\$
Tuition	13,907.00		13,907.00	64,275.45	50,368.45
Interest Earned on Capital Reserve Funds	30,000.00		30,000.00	3,595.35	(26,404.65)
Other Restricted Miscellaneous Revenues	481,813.00	101,448.00	583,261.00	592,906.59	9,645.59
GED Testing	6,610.00		6,610.00	12,730.00	6,120.00
Miscellaneous	1,117,280.00		1,117,280.00	822,062.24	(295,217.76)
Total - Local Sources	96,590,244.00	101,448.00	96,691,692.00	96,436,203.63	(255,488.37)
State Sources:					
Special Education Categorical Aid	7,164,360.00		7,164,360.00	7,164,360.00	
Equalization Aid	61,993,691.00	297,168.00	62,290,859.00	63,654,789.00	1,363,930.00
Security Aid		127,832.00	127,832.00	127,832.00	
Non Public Transportation Aid				40,559.31	40,559.31
Extraordinary Aid				1,102,538.00	1,102,538.00
Other State Aid				1,762.38	1,762.38
Anti Bullying Aid				2,843.00	2,843.00
TPAF Post Retirement Medical Contribution (On-Behalf non-budgeted)				5,012,281.00	5,012,281.00
TPAF Pension Non-Contributory Insurance (On-Behalf non-budgeted)				2,493,349.00	2,493,349.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				5,685,562.59	5,685,562.59
Total - State Sources	69,158,051.00	425,000.00	69,583,051.00	85,285,876.28	15,702,825.28
Federal Sources:					
Medicaid Reimbursement	187,844.00		187,844.00	199,166.29	11,322.29
Education Jobs Fund	2,528,751.00	79,221.00	2,607,972.00	2,607,972.00	
Total - Federal Sources	2,716,595.00	79,221.00	2,795,816.00	2,807,138.29	11,322.29
Total Revenues	\$ 168,464,890.00	605,669.00	169,070,559.00	184,529,218.20	15,458,659.20

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool/Kindergarten	\$ 2,424,273.00	\$	\$ 2,424,273.00	\$ 2,382,373.94	\$ 41,899.06
Grades 1-5	17,908,690.00	(65,000.00)	17,843,690.00	16,953,928.72	889,761.28
Grades 6-8	11,843,580.00	(10,000.00)	11,833,580.00	11,418,528.74	415,051.26
Grades 9-12	17,277,797.00	(39,512.00)	17,238,285.00	16,915,210.02	323,074.98
Regular Programs - Home Instruction:					
Salaries of Teachers	404,712.64		404,712.64	356,963.60	47,749.04
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	1,006,009.00		1,006,009.00	979,907.45	26,101.55
Purchased Professional - Educational Services	171,639.37	238,464.00	410,103.37	391,306.67	18,796.70
Other Purchased Services	294,835.00		294,835.00	294,835.00	
General Supplies	2,323,566.72	49,903.00	2,373,469.72	2,286,993.08	86,476.64
Textbooks	610,522.00	(134.00)	610,388.00	607,911.31	2,476.69
Total Regular Programs	<u>54,265,624.73</u>	<u>173,721.00</u>	<u>54,439,345.73</u>	<u>52,587,958.53</u>	<u>1,851,387.20</u>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	2,613,521.00		2,613,521.00	2,591,701.96	21,819.04
Other Salaries for Instruction	562,990.00		562,990.00	505,792.58	57,197.42
General Supplies	17,788.00		17,788.00	17,046.68	741.32
Textbooks	9,800.00		9,800.00	9,626.29	173.71
Total Learning and/or Language Disabilities	<u>3,204,099.00</u>		<u>3,204,099.00</u>	<u>3,124,167.51</u>	<u>79,931.49</u>
Visual Impairments					
Purchased Professional - Educational Services	<u>37,721.00</u>		<u>37,721.00</u>	<u>26,200.00</u>	<u>11,521.00</u>
Total Visual Impairments	<u>37,721.00</u>		<u>37,721.00</u>	<u>26,200.00</u>	<u>11,521.00</u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Behavioral Disabilities:					
Salaries of Teachers	1,364,615.00		1,364,615.00	1,297,064.17	67,550.83
Other Salaries for Instruction	332,222.00		332,222.00	332,011.02	210.98
General Supplies	8,312.00		8,312.00	7,866.84	445.16
Textbooks	3,004.00		3,004.00	2,410.37	593.63
Total Behavioral Disabilities	1,708,153.00		1,708,153.00	1,639,352.40	68,800.60
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	1,593,477.00		1,593,477.00	1,555,656.54	37,820.46
Other Salaries for Instruction	482,857.00		482,857.00	402,478.77	80,378.23
General Supplies	9,238.48		9,238.48	8,474.30	764.18
Textbooks	5,900.00		5,900.00	5,489.19	410.81
Total Multiple Disabilities	2,091,472.48		2,091,472.48	1,972,098.80	119,373.68
Resource Room/Resource Center:					
Salaries of Teachers	5,284,101.00		5,284,101.00	5,250,795.65	33,305.35
Other Salaries for Instruction	330,492.00		330,492.00	303,762.10	26,729.90
General Supplies	66,378.00		66,378.00	62,630.94	3,747.06
Textbooks	12,000.00		12,000.00	11,753.87	246.13
Total Resource Room/Resource Center	5,692,971.00		5,692,971.00	5,628,942.56	64,028.44
Autism:					
Salaries of Teachers	330,040.00		330,040.00	330,040.00	
Other Salaries for Instruction	109,784.00		109,784.00	109,014.08	769.92
General Supplies	15,618.00		15,618.00	13,689.36	1,928.64
Textbooks	4,000.00		4,000.00	3,978.95	21.05
Total Autism	459,442.00		459,442.00	456,722.39	2,719.61

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Preschool Disabilities - Part Time:					
Salaries of Teachers	490,789.00		490,789.00	490,789.00	
Other Salaries for Instruction	447,058.00		447,058.00	402,816.91	44,241.09
Purchased Professional - Educational Services	210,450.00		210,450.00	112,472.00	97,978.00
General Supplies	4,027.00		4,027.00	3,748.12	278.88
Total Preschool Disabilities - Part Time	1,152,324.00		1,152,324.00	1,009,826.03	142,497.97
Total Special Education - Instruction	14,346,182.48		14,346,182.48	13,857,309.69	488,872.79
Basic Skills/Rem - Instruction:					
Salaries of Teachers	1,435,166.00		1,435,166.00	1,400,718.43	34,447.57
Other Salaries for Instruction	6,120.00		6,120.00	1,098.00	5,022.00
Total Basic Skills/Rem - Instruction	1,441,286.00		1,441,286.00	1,401,816.43	39,469.57
Bilingual Education - Instruction:					
Salaries of Teachers	656,467.00		656,467.00	595,891.00	60,576.00
Total Bilingual Education - Instruction	656,467.00		656,467.00	595,891.00	60,576.00
School Sponsored Cocurricular Activities - Instruction:					
Salaries	479,926.00	10,000.00	489,926.00	489,664.00	262.00
Other Objects	30,751.00		30,751.00	23,507.37	7,243.63
Total School Sponsored Cocurricular Activities - Instruction	510,677.00	10,000.00	520,677.00	513,171.37	7,505.63

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School Sponsored Athletics Activities - Instruction:					
Salaries	740,782.00	(15,404.00)	725,378.00	725,378.00	
Other Objects	340,996.70	(1,217.00)	339,779.70	339,778.90	0.80
Total School Sponsored Athletics Activities - Instruction	1,081,778.70	(16,621.00)	1,065,157.70	1,065,156.90	0.80
Other Instruction Programs:					
Salaries	7,200.00		7,200.00		7,200.00
Purchased Services	21,662.00		21,662.00	20,558.32	1,103.68
Supplies and Materials	5,177.00		5,177.00	4,625.48	551.52
Total Other Instruction Programs	34,039.00		34,039.00	25,183.80	8,855.20
Alternative Education Program - Instruction:					
Salaries of Teachers	92,774.00	18,336.00	111,110.00	111,109.44	0.56
Other Salaries of Instruction	30,000.00	11,176.00	41,176.00	41,175.71	0.29
General Supplies	6,200.00		6,200.00	6,200.00	
Textbooks	3,225.00		3,225.00	480.00	2,745.00
Total Alternative Education Programs - Instruction	132,199.00	29,512.00	161,711.00	158,965.15	2,745.85
Alternative Education Program - Support Svcs:					
Salaries of Teachers	96,735.00		96,735.00	63,128.04	33,606.96
Purchased Services	30,200.00		30,200.00	194.40	30,005.60
Supplies and Materials	13,836.00		13,836.00	4,147.40	9,688.60
Total Alternative Education Programs - Support Services	140,771.00		140,771.00	67,469.84	73,301.16

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Community Services Programs - Operations:					
Salaries	118,141.00		118,141.00	110,672.15	7,468.85
Purchased Services	65,565.00		65,565.00	61,448.74	4,116.26
Supplies and Materials	3,635.00		3,635.00	2,700.91	934.09
Other Objects	33,000.00		33,000.00	17,340.69	15,659.31
Total Community Services Programs - Operations	220,341.00		220,341.00	192,162.49	28,178.51
Total Instruction	72,829,365.91	196,612.00	73,025,977.91	70,465,085.20	2,560,892.71
Undistributed Expenditures - Instruction:					
Tuition Regular - Within State - Regular	408,214.00		408,214.00	113,466.40	294,747.60
Tuition Special - Within State - Special	81,899.00		81,899.00	81,832.24	66.76
Tuition MCSSSD & Regional Day Schools	8,072,065.00		8,072,065.00	7,684,918.78	387,146.22
Tuition Private Schools for the Handicapped - Within State	4,507,300.07	(50,110.00)	4,457,190.07	3,961,757.98	495,432.09
Tuition - State Facilities	300,000.00		300,000.00	108,630.00	191,370.00
Tuition Other	380,000.00		380,000.00	375,298.00	4,702.00
Total Undistributed Expenditures - Instruction	13,749,478.07	(50,110.00)	13,699,368.07	12,325,903.40	1,373,464.67
Undistributed Expenditures - Attendance and Social Work:					
Salaries	437,910.00		437,910.00	417,409.88	20,500.12
Purchased Professional and Technical Services	8,017.00		8,017.00	5,621.89	2,395.11
Other Purchased Services	400.00	400.00	800.00	792.00	8.00
Supplies and Materials	4,600.00	(400.00)	4,200.00	4,036.35	163.65
Total Undistributed Expenditures - Attendance and Social Work	450,927.00		450,927.00	427,860.12	23,066.88
Undistributed Expenditures - Health Services:					
Salaries	1,875,826.00		1,875,826.00	1,838,589.74	37,236.26
Purchased Professional and Technical Services	84,000.00		84,000.00	67,140.00	16,860.00
Supplies and Materials	41,870.00		41,870.00	40,828.63	1,041.37
Total Undistributed Expenditures - Health Services	2,001,696.00		2,001,696.00	1,946,558.37	55,137.63

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services -					
Students - Related Services:					
Salaries	1,557,360.00		1,557,360.00	1,501,697.08	55,662.92
Supplies and Materials	10,710.00		10,710.00	10,708.83	1.17
Total Undistributed Expenditures - Other Support Services -					
Students - Related Services	1,568,070.00		1,568,070.00	1,512,405.91	55,664.09
Undistributed Expenditures - Other Support Services -					
Students - Extra Services:					
Salaries	566,823.00		566,823.00	551,567.32	15,255.68
Total Undistributed Expenditures - Other Support Services -					
Students - Extra Services	566,823.00		566,823.00	551,567.32	15,255.68
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	3,366,889.00		3,366,889.00	3,279,665.49	87,223.51
Salaries of Secretarial and Clerical Assistants	541,812.00		541,812.00	488,367.38	53,444.62
Purchased Professional - Educational Services	11,800.00		11,800.00	11,478.00	322.00
Other Purchased Services	4,500.00		4,500.00	3,609.32	890.68
Supplies and Materials	3,079.00		3,079.00	2,975.12	103.88
Other Objects	761.00		761.00	272.24	488.76
Total Undistributed Expenditures - Guidance	3,928,841.00		3,928,841.00	3,786,367.55	142,473.45
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	3,259,187.00		3,259,187.00	3,167,686.07	91,500.93
Salaries of Secretarial and Clerical Assistants	382,352.00		382,352.00	364,008.68	18,343.32
Purchased Professional Services - Educational Services	700,534.00	50,110.00	750,644.00	750,643.24	0.76
Other Purchased Prof. and Tech. Services	88,400.00		88,400.00	59,962.27	28,437.73
Miscellaneous Purchased Services	25.00		25.00		25.00
Supplies and Materials	55,338.00		55,338.00	53,880.92	1,457.08
Total- Undistributed Expenditures - Child Study Teams	4,485,836.00	50,110.00	4,535,946.00	4,396,181.18	139,764.82

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	767,255.00		767,255.00	706,108.97	61,146.03
Salaries of Other Professional Staff	178,051.00		178,051.00	169,928.00	8,123.00
Salaries of Secretarial and Clerical Assitants	343,052.00		343,052.00	322,745.21	20,306.79
Salaries of Facilitators, Math & Literacy Coaches	68,394.00		68,394.00		68,394.00
Other Purch Prof. and Tech. Services	100,220.00		100,220.00	98,699.80	1,520.20
Other Purchased Services	9,314.00		9,314.00	3,383.62	5,930.38
Supplies and Materials	27,301.00		27,301.00	19,403.61	7,897.39
Total Undistributed Expenditures - Improv. of Instr. Services	<u>1,493,587.00</u>		<u>1,493,587.00</u>	<u>1,320,269.21</u>	<u>173,317.79</u>
Undistributed Expenditures - Ed Media Services/ School Library:					
Salaries	1,066,437.00		1,066,437.00	1,017,771.71	48,665.29
Purchased Professional and Technical Services	158,000.00		158,000.00	64,527.36	93,472.64
Supplies and Materials	<u>186,665.38</u>		<u>186,665.38</u>	<u>179,516.49</u>	<u>7,148.89</u>
Total Undistributed Expenditures - Ed Media Services/ School Library	<u>1,411,102.38</u>		<u>1,411,102.38</u>	<u>1,261,815.56</u>	<u>149,286.82</u>
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	109,757.00		109,757.00	107,886.50	1,870.50
Salaries of Other Professional Staff	15,705.00		15,705.00	15,705.00	
Supplies and Materials	<u>6,041.00</u>		<u>6,041.00</u>	<u>6,013.52</u>	<u>27.48</u>
Total Undistributed Expenditures - Instructional Staff Training Services	<u>131,503.00</u>		<u>131,503.00</u>	<u>129,605.02</u>	<u>1,897.98</u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - Gen. Admin.:					
Salaries	276,367.00		276,367.00	244,947.98	31,419.02
Legal Services	247,049.73	20,600.00	267,649.73	241,634.06	26,015.67
Audit Fees	52,000.00		52,000.00	52,000.00	
Other Purchased Professional Services	31,115.00	25,000.00	56,115.00	17,331.10	38,783.90
Communications/Telephone	268,900.00		268,900.00	202,674.84	66,225.16
BOE Other Purchased Services	71,245.00	(500.00)	70,745.00	20,030.22	50,714.78
Miscellaneous Purchased Services	4,700.00	1,000.00	5,700.00	4,806.50	893.50
General Supplies	11,700.00	(7,000.00)	4,700.00	3,014.92	1,685.08
BOE In-House Training Meeting Supplies	4,534.95	7,200.00	11,734.95	10,740.10	994.85
BOE Membership Dues and Fees	33,000.00	(6,300.00)	26,700.00	26,662.70	37.30
Total Undistributed Expenditures - Support Services - Gen. Admin.	1,000,611.68	40,000.00	1,040,611.68	823,842.42	216,769.26
Undistributed Expenditures - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals	4,928,875.00		4,928,875.00	4,878,753.67	50,121.33
Salaries of Secretarial and Clerical Assistants	1,529,312.00		1,529,312.00	1,525,582.26	3,729.74
Purchased Professional and Technical Services	8,675.00		8,675.00	7,910.41	764.59
Other Purchased Services	170,540.00		170,540.00	164,697.01	5,842.99
Supplies and Materials	35,617.00		35,617.00	33,442.37	2,174.63
Other Objects	1,235.00		1,235.00	508.00	727.00
Total Undistributed Expenditures - Support Serv. - School Admin.	6,674,254.00		6,674,254.00	6,610,893.72	63,360.28
Undistributed Expenditures - Central Services:					
Salaries	1,413,875.00		1,413,875.00	1,340,246.68	73,628.32
Misc. Purchased Services	138,946.60	(8,000.00)	130,946.60	88,543.30	42,403.30
Supplies and Materials	40,088.34	(2,000.00)	38,088.34	35,139.66	2,948.68
Miscellaneous Expenditures	74,490.00		74,490.00	72,375.00	2,115.00
Total Undistributed Expenditures - Support Serv. - Central Services	1,667,399.94	(10,000.00)	1,657,399.94	1,536,304.64	121,095.30

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Admin. Info. Tech.					
Salaries	704,934.00		704,934.00	693,179.07	11,754.93
Other Purchased Services	237,667.58		237,667.58	140,159.00	97,508.58
Supplies and Materials	21,000.00		21,000.00	10,913.45	10,086.55
Total Undistributed Expenditures - Support Serv. - Admin. Info. Tech.	963,601.58		963,601.58	844,251.52	119,350.06
Undistributed Expenditures - Required Maint. For School Facilities					
Salaries	1,966,038.00		1,966,038.00	1,748,003.54	218,034.46
Cleaning, Repair and Maintenance Services	492,523.30	51,448.00	543,971.30	374,937.42	169,033.88
General Supplies	509,853.40		509,853.40	417,467.35	92,386.05
Other Objects	1,000.00		1,000.00	790.00	210.00
Total Allowable Maintenance Facilities	2,969,414.70	51,448.00	3,020,862.70	2,541,198.31	479,664.39
Undistributed Expenditures - Custodial Services					
Salaries	5,206,470.00		5,206,470.00	5,189,159.80	17,310.20
Salaries of Non-Instructional Aides	586,226.00		586,226.00	576,055.02	10,170.98
Cleaning, Repair and Maintenance Services	1,298,141.87		1,298,141.87	865,293.68	432,848.19
Rental Land and Building	177,121.00		177,121.00	112,100.00	65,021.00
Other Purchased Property Services	430,794.00		430,794.00	338,681.15	92,112.85
Insurance	813,759.00		813,759.00	740,768.93	72,990.07
Miscellaneous Purchased Services	8,040.96		8,040.96	6,238.96	1,802.00
General Supplies	488,123.45	2,870.00	490,993.45	436,492.88	54,500.57
Energy (Electricity)	1,752,908.00		1,752,908.00	1,630,868.88	122,039.12
Energy (Natural Gas)	1,989,525.00		1,989,525.00	652,705.13	1,336,819.87
Other Objects	550.00		550.00	550.00	
Total Custodial Services	12,751,659.28	2,870.00	12,754,529.28	10,548,914.43	2,205,614.85
Undistributed Expenditures - Care & Upkeep of Grounds					
Salaries	611,971.00		611,971.00	568,912.48	43,058.52
Cleaning, Repair and Maintenance Services	12,058.37		12,058.37	4,179.64	7,878.73
General Supplies	61,104.80		61,104.80	55,217.69	5,887.11
Total Care & Upkeep of Grounds	685,134.17		685,134.17	628,309.81	56,824.36

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Security					
Salaries	380,108.00		380,108.00	369,825.29	10,282.71
Cleaning, Repair and Maintenance Services	110,000.00		110,000.00	104,896.90	5,103.10
Other Objects	106,880.00		106,880.00	95,438.73	11,441.27
Total Security	596,988.00		596,988.00	570,160.92	26,827.08
Total Undistributed Expenditures - Operation & Maintenance Of Plant Services	17,003,196.15	54,318.00	17,057,514.15	14,288,583.47	2,768,930.68
Undistributed Expenditures - Student Transportation Services:					
Salaries of Non-Instructional Aides	10,823.00		10,823.00	5,267.52	5,555.48
Salaries of Pupil Transport - Reg.	160,370.00		160,370.00	160,325.88	44.12
Salaries of Pupil Transport - Spec. Ed.	251,120.00		251,120.00	183,510.29	67,609.71
Other Purchased Prof. and Tech. Services	17,000.00		17,000.00	4,284.80	12,715.20
Contracted Services - Bet. Home and School - Vendors	3,151,220.00	(10,646.00)	3,140,574.00	2,947,105.68	193,468.32
Contracted Services - Other than Bet. Home and School - Vendors	363,726.00	10,646.00	374,372.00	374,371.08	0.92
Contracted Services - Special Education - Vendors	3,872,960.00	125,140.00	3,998,100.00	3,998,099.07	0.93
Contracted Services - Special Education - ESC & CTSA'S	1,450,268.00	(125,140.00)	1,325,128.00	761,109.20	564,018.80
Contracted Services - Aid in Lieu - Non Public	275,122.00		275,122.00	168,240.87	106,881.13
Misc. Purchased Services - Transportation	6,400.00		6,400.00	3,798.77	2,601.23
Transportation Supplies	81,500.00		81,500.00	31,158.99	50,341.01
General Supplies	36,786.17		36,786.17	30,142.42	6,643.75
Other Objects	2,100.00		2,100.00	716.56	1,383.44
Total Undistributed Expenditures - Student Transportation Serv.	9,679,395.17		9,679,395.17	8,668,131.13	1,011,264.04
Unallocated Benefits- Employee Benefits:					
Group Insurance	173,009.00		173,009.00	168,995.33	4,013.67
Social Security Contributions	2,107,861.00		2,107,861.00	1,839,030.07	268,830.93
Other Retirement Contributions	2,384,603.00		2,384,603.00	2,282,595.00	102,008.00
Workman's Compensation	946,496.00		946,496.00	874,051.88	72,444.12
Health Benefits	30,948,800.00	(95,779.00)	30,853,021.00	27,756,261.45	3,096,759.55
Tuition Reimbursement	255,000.00		255,000.00	174,356.24	80,643.76
Other Employee Benefits	275,000.00		275,000.00	274,999.50	0.50
Total Unallocated Benefits	37,090,769.00	(95,779.00)	36,994,990.00	33,370,289.47	3,624,700.53

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Total Personal Services- Employee Benefits	<u>37,090,769.00</u>	<u>(95,779.00)</u>	<u>36,994,990.00</u>	<u>33,370,289.47</u>	<u>3,624,700.53</u>
On-behalf TPAF Post Retirement Medical (non-budgeted)				5,012,281.00	(5,012,281.00)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				2,493,349.00	(2,493,349.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)				<u>5,685,562.59</u>	<u>(5,685,562.59)</u>
Total On-Behalf Contributions				<u>13,191,192.59</u>	<u>(13,191,192.59)</u>
Total Undistributed Expenditures	<u>103,867,090.97</u>	<u>(11,461.00)</u>	<u>103,855,629.97</u>	<u>106,992,022.60</u>	<u>(3,136,392.63)</u>
Total Current Expense	<u>176,696,456.88</u>	<u>185,151.00</u>	<u>176,881,607.88</u>	<u>177,457,107.80</u>	<u>(575,499.92)</u>
Capital Outlay:					
Interest Deposit to Capital Reserve	30,000.00		30,000.00		30,000.00
Equipment:					
Grades 1-5	76,737.00		76,737.00	76,610.54	126.46
Grades 6-8	38,990.00		38,990.00	38,099.14	890.86
Grades 9-12	53,777.00	20,518.00	74,295.00	73,798.40	496.60
Undistributed Expenditures:					
Support Services - Student Regular	20,500.00		20,500.00	20,039.18	460.82
Support Services - Inst. Staff	27,935.00		27,935.00	27,790.00	145.00
Support Services - Admin. Info. Tech.	542.00		542.00	542.00	

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
EXPENDITURES (CONT'D):					
Capital Outlay (Cont'd):					
Equipment:					
Undistributed Expenditures:					
Support Services - Operation & Maintenance	89,371.00		89,371.00	62,746.27	26,624.73
Support Services - Care & Upkeep of Grounds	75,294.00		75,294.00	75,294.00	
Buses - Special	65,000.00		65,000.00	64,591.50	408.50
Total Equipment	478,146.00	20,518.00	498,664.00	439,511.03	59,152.97
Facilities Acquisition and Construction Services:					
Construction Services					
Other Objects	65,950.00		65,950.00	65,950.00	
Total Facilities Acquisition and Construction Services	65,950.00		65,950.00	65,950.00	
Total Capital Outlay	544,096.00	20,518.00	564,614.00	505,461.03	59,152.97
Special Schools:					
Accredited Evening/Adult High School - Instruction:					
Salaries of Teachers	89,199.00		89,199.00	87,681.00	1,518.00
General Supplies	1,160.00		1,160.00	1,145.45	14.55
Textbooks	3,000.00		3,000.00	2,999.89	0.11
Total Accredited Evening/Adult High School - Instruction	93,359.00		93,359.00	91,826.34	1,532.66
Accredited Evening/Adult High School - Support Services:					
Salaries	27,228.00		27,228.00	25,641.25	1,586.75
Personal Services - Employee Benefits	7,420.00		7,420.00		7,420.00
Purchased Professional and Technical Services	12,900.00		12,900.00	8,710.00	4,190.00
Other Purchased Services	250.00		250.00	250.00	
Supplies and Materials	2,399.00		2,399.00	2,399.00	
Total Accredited Evening/Adult High School - Support Services	50,197.00		50,197.00	37,000.25	13,196.75
GED Test Centers					
Supplies and Materials	6,610.00		6,610.00	6,560.59	49.41
Total Adult Educational Local - Instruction	6,610.00		6,610.00	6,560.59	49.41
Total Special Schools	150,166.00		150,166.00	135,387.18	14,778.82
Total Expenditures	177,390,718.88	205,669.00	177,596,387.88	178,097,956.01	(501,568.13)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,925,828.88)	400,000.00	(8,525,828.88)	6,431,262.19	14,957,091.07

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
Other Financing Sources (Uses):					
Operating Transfers Out:					
Transfer to Debt Service Fund - Capital Reserve	(3,150,000.00)		(3,150,000.00)	(3,150,000.00)	
Transfer Capital Reserve to Capital Projects				(1,153,849.00)	
Transfer of Capital Outlay to Capital Projects		(400,000.00)	(400,000.00)	(400,000.00)	
Transfer of Funds - Charter School	<u>(343,016.00)</u>		<u>(343,016.00)</u>	<u>(265,474.32)</u>	<u>(77,541.68)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(12,418,844.88)</u>		<u>(12,418,844.88)</u>	<u>1,461,938.87</u>	<u>14,879,549.39</u>
Fund Balances, July 1	<u>23,633,023.64</u>		<u>23,633,023.64</u>	<u>23,633,023.64</u>	
Fund Balances, June 30	\$ <u>11,214,178.76</u>	\$ <u>-</u>	\$ <u>11,214,178.76</u>	\$ <u>25,094,962.51</u>	\$ <u>14,879,549.39</u>

Recapitulation

Nonspendable Fund Balance:	
Inventory	\$ 424,961.06
Restricted Fund Balance:	
Reserve for Excess Surplus	6,008,327.74
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	5,304,926.91
Capital Reserve	2,005,036.98
Maintenance Reserve Account	700,000.00
Assigned Fund Balance:	
Year End Encumbrances	534,456.67
Designated for Subsequent Year Expenditures	5,644,944.09
Unassigned Fund Balance	<u>4,472,309.06</u>
 Total	 \$ <u>25,094,962.51</u>
Reconciliation to Governmental Funds Statements (GAAP)	
State Aid Payments not Recognized on GAAP Basis	
Delayed State Aid Payment	(6,371,129.00)
Extraordinary Aid	<u>(1,102,538.00)</u>
Fund Balance per Governmental Funds (GAAP)	\$ <u>17,621,295.51</u>

HAMILTON TOWNSHIP SCHOOL DISTRICT
EDUCATION JOBS FUND - BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable(Unfavorable)</u>
REVENUES:					
Federal Sources:					
Education Jobs Fund- ARRA	\$ <u>2,528,751.00</u>	\$ <u>79,221.00</u>	\$ <u>2,607,972.00</u>	\$ <u>2,607,972.00</u>	\$ _____
Total - Federal Sources	<u>2,528,751.00</u>	<u>79,221.00</u>	<u>2,607,972.00</u>	<u>2,607,972.00</u>	_____
EXPENDITURES:					
Unallocated Benefits- Employee Benefits:					
Health Benefits	<u>2,528,751.00</u>	<u>79,221.00</u>	<u>2,607,972.00</u>	<u>2,607,972.00</u>	_____
Total Unallocated Benefits	\$ <u><u>2,528,751.00</u></u>	\$ <u><u>79,221.00</u></u>	\$ <u><u>2,607,972.00</u></u>	\$ <u><u>2,607,972.00</u></u>	\$ <u><u>_____</u></u>

**Hamilton Township School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources		\$43,629.49	\$43,629.49	\$21,743.43	\$21,886.06
Total - Local Sources		43,629.49	43,629.49	21,743.43	21,886.06
State Sources:					
Nonpublic Aid	1,430,000.00	(26,255.00)	1,403,745.00	1,161,389.86	242,355.14
Total - State Sources	1,430,000.00	(26,255.00)	1,403,745.00	1,161,389.86	242,355.14
Federal Sources:					
Title I	1,300,000.00	781,820.66	2,081,820.66	758,735.85	1,323,084.81
Title I - ARRA		64,618.08	64,618.08	24,084.02	40,534.06
Title II	353,000.00	159,354.78	512,354.78	330,205.76	182,149.02
Title III	105,000.00	3,184.11	108,184.11	88,935.02	19,249.09
Title IV		5,483.98	5,483.98		5,483.98
Perkins Grant	65,000.00	2,506.00	67,506.00	61,419.25	6,086.75
Include		19,145.83	19,145.83	7,537.51	11,608.32
I.D.E.A.	3,600,000.00	1,376,666.48	4,976,666.48	2,827,037.85	2,149,628.63
I.D.E.A., ARRA		117,638.42	117,638.42	112,405.77	5,232.65
Total - Federal Sources	5,423,000.00	2,530,418.34	7,953,418.34	4,210,361.03	3,743,057.31
Total Revenues	6,853,000.00	2,547,792.83	9,400,792.83	5,393,494.32	4,007,298.51
EXPENDITURES:					
Instruction					
Salaries of Teachers		1,793,437.80	1,793,437.80	718,620.90	1,074,816.90
Other Salaries for Instruction		1,369,653.05	1,369,653.05	1,090,740.84	278,912.21
Other Purchased Services (400-500 series)	6,340,000.00	(5,668,538.60)	671,461.40	139,045.00	532,416.40
Purchased Professional - Educational Services		1,191,987.00	1,191,987.00	953,316.85	238,670.15

**Hamilton Township School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Instruction (cont'd)					
General Supplies	418,000.00	(149,792.21)	268,207.79	153,565.73	114,642.06
Textbooks	95,000.00	1,501.67	96,501.67	87,125.51	9,376.16
Other Objects		7,767.11	7,767.11	1,000.00	6,767.11
Total instruction	<u>6,853,000.00</u>	<u>(1,453,984.18)</u>	<u>5,399,015.82</u>	<u>3,143,414.83</u>	<u>2,255,600.99</u>
Support Services					
Salaries of Supervisors of Instruction		377,696.36	377,696.36	181,332.00	196,364.36
Salaries of Other Professional Staff		986,050.50	986,050.50	744,335.46	241,715.04
Salaries of Sec. & Clerical Asst.		210,137.70	210,137.70	208,032.44	2,105.26
Other Salaries					
Personal Services - Employee Benefits		671,808.63	671,808.63	340,395.76	331,412.87
Purchased Professional - Educational Services		156,853.50	156,853.50	124,558.00	32,295.50
Other Purchased Prof. Services		57,784.29	57,784.29	5,094.80	52,689.49
Purchased Prof. and Technical Services		864,311.07	864,311.07	557,831.65	306,479.42
Other Purchased Services (400-500 series)		514,680.08	514,680.08	27,905.01	486,775.07
Supplies & Materials		139,881.09	139,881.09	51,940.62	87,940.47
Other Objects		740.79	740.79	945.75	(204.96)
Total support services		<u>3,979,944.01</u>	<u>3,979,944.01</u>	<u>2,242,371.49</u>	<u>1,737,572.52</u>
Facilities acquisition and construction services:					
Instructional Equipment		11,833.00	11,833.00	7,708.00	4,125.00
Noninstructional Equipment		10,000.00	10,000.00		10,000.00
Total facilities acquisition and construction services		<u>21,833.00</u>	<u>21,833.00</u>	<u>7,708.00</u>	<u>14,125.00</u>
Total Expenditures	<u>6,853,000.00</u>	<u>2,547,792.83</u>	<u>9,400,792.83</u>	<u>5,393,494.32</u>	<u>4,007,298.51</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					

**NOTES TO THE REQUIRED
SUPPLEMENTARY INFORMATION**

**HAMILTON TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
GAAP Revenues and Expenditures**

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	(C-1)	\$ 184,529,218.20	(C-2)	\$ 5,393,494.32
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				(2,123.16)
State Aid Payment Recognized for Budgetary Purposes, not recognized for GAAP Statements - NET		(494,716.00)		
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. (B-2)	(B-2)	<u><u>184,034,502.20</u></u>	(B-2)	<u><u>5,391,371.16</u></u>
Uses/outflows of resources				
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	(C-1)	178,097,956.01	(C-2)	5,393,494.32
Differences - budget to GAAP				
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis.				
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.				(2,123.16)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	(B-2)	<u><u>\$ 178,097,956.01</u></u>	(B-2)	<u><u>\$ 5,391,371.16</u></u>

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES

SECTION – D

SPECIAL REVENUE FUND

SECTION – E

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Total Brought Forward (Ex. E-1a)	Title I Part A			Title I Part A ARRA 09/10	Title I SIA 10/11 C/O	I.D.E.A. Part B Basic Regular			Totals 2012
		2011-2012	10/11 C/O	09/10 C/O			2011-2012	10/11 C/O	09-10 C/O	
REVENUES:										
State Sources	\$ 1,161,389.86	\$	\$	\$	\$	\$	\$	\$	\$	\$ 1,161,389.86
Federal Sources	655,295.56	155,400.23	589,447.18	13,788.44	24,084.02	100.00	1,518,973.08	1,218,386.65	34,885.87	4,210,361.03
Local Sources	21,743.43									21,743.43
Total Revenues	1,838,428.85	155,400.23	589,447.18	13,788.44	24,084.02	100.00	1,518,973.08	1,218,386.65	34,885.87	5,393,494.32
EXPENDITURES:										
Instruction:										
Salaries of Teachers	290,254.28	43,185.62	349,482.93		1,080.45				34,617.62	718,620.90
Other Salaries for Instruc.		7,990.95					259,590.98	823,158.91		1,090,740.84
Purch. Prof. - Educ. Services	953,316.85									953,316.85
Other Purch. Services	1,149.00						137,896.00			139,045.00
General Supplies	112,260.26	14,374.13	8,383.97				11,725.27	6,822.10		153,565.73
Textbooks	87,125.51									87,125.51
Other Objects	1,000.00									1,000.00
Total Instruction	1,445,105.90	65,550.70	357,866.90		1,080.45		409,212.25	829,981.01	34,617.62	3,143,414.83
Support Services:										
Salaries of Supervisors of Instruc.							119,065.14	62,266.86		181,332.00
Salaries of Other Prof. Staff	118,138.93	20,450.00	139,771.50				268,467.25	197,239.53	268.25	744,335.46
Salaries of Sec. & Clerical Asst.							158,477.24	49,555.20		208,032.44
Other Salaries										
Personal Services - Empl. Benefits	48,941.10		91,808.78				132,005.87	67,640.01		340,395.76
Purch. Prof. - Educ. Services	124,558.00									124,558.00
Other Purch. Prof. Services								5,094.80		5,094.80
Purch. Prof./ Technical Services	50,768.50	63,273.50		12,859.00	10,103.45		417,877.20	2,950.00		557,831.65
Other Purchased Services	26,284.73	1,082.03					538.25			27,905.01
Supplies and Materials	23,685.94	5,044.00		929.44	12,900.12	100.00	7,454.88	1,826.24		51,940.62
Miscellaneous Expenditures	945.75									945.75
Total Support Services	393,322.95	89,849.53	231,580.28	13,788.44	23,003.57	100.00	1,103,885.83	386,572.64	268.25	2,242,371.49
Facilities Acquis. & Const. Serv.:										
Buildings							5,875.00	1,833.00		7,708.00
Instructional Equipment										
Noninstructional Equipment										
Total Facil. Acquis. & Const. Serv.							5,875.00	1,833.00		7,708.00
Total Expenditures	\$ 1,838,428.85	\$ 155,400.23	\$ 589,447.18	\$ 13,788.44	24,084.02	\$ 100.00	\$ 1,518,973.08	\$ 1,218,386.65	\$ 34,885.87	\$ 5,393,494.32

HAMILTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Total Brought Forward (Ex. E-1b)	TITLE II PART A		TITLE II D	TITLE III REGULAR		TITLE III IMMIGRANT	IDEA PRESCHOOL		IDEA PRESCHOOL ARRA	IDEA PART B ARRA	Total Carried Forward
		2011-2012	10/11 CO	09-10 C/O	2011-2012	10/11 CO	10/11 CO	2011-2012	10/11 CO	09-10 C/O	2009-2010	
REVENUES:												
State Sources	\$ 1,161,389.86	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 1,161,389.86
Federal Sources	68,956.76	188,716.41	140,672.35	817.00	62,646.00	3,938.30	22,350.72	5,849.00	48,943.25	42,510.97	69,894.80	655,295.56
Local Sources	21,743.43											21,743.43
Total Revenues	1,252,090.05	188,716.41	140,672.35	817.00	62,646.00	3,938.30	22,350.72	5,849.00	48,943.25	42,510.97	69,894.80	1,838,428.85
EXPENDITURES:												
Instruction:												
Salaries of Teachers		143,905.95	69,449.05		50,707.00		14,254.00				11,938.28	290,254.28
Other Salaries for Instruc.												
Purch. Prof. - Educ. Services	953,316.85											953,316.85
Other Purch. Services										1,149.00		1,149.00
General Supplies	60,703.18	2,233.44	6,127.49	817.00	1,798.00	3,938.30	2,493.35		25,784.53	8,364.97		112,260.26
Textbooks	87,125.51											87,125.51
Other Objects	1,000.00											1,000.00
Total Instruction	1,102,145.54	146,139.39	75,576.54	817.00	52,505.00	3,938.30	16,747.35		25,784.53	9,513.97	11,938.28	1,445,105.90
Support Services:												
Salaries of Supervisors of Instruc.												
Salaries of Other Prof. Staff	9,017.00							4,298.57	20,159.59	30,702.00	53,961.77	118,138.93
Salaries of Sec. & Clerical Asst.												
Other Salaries												
Personal Services - Empl. Benefits		30,982.02			10,141.00		613.52	1,550.43	2,999.13	2,295.00	360.00	48,941.10
Purch. Prof. - Educ. Services	124,558.00											124,558.00
Other Purch. Prof. Services												
Purch. Prof./Technical Services	8,527.00	7,275.00	32,606.50				2,360.00					50,768.50
Other Purch. Services	6,633.26	4,320.00	15,331.47									26,284.73
Supplies and Materials	263.50		17,157.84				2,629.85				3,634.75	23,685.94
Miscellaneous Expenditures	945.75											945.75
Total Support Services	149,944.51	42,577.02	65,095.81		10,141.00		5,603.37	5,849.00	23,158.72	32,997.00	57,956.52	393,322.95
Facilities Acquis. & Const. Serv.:												
Buildings												
Instructional Equipment												
Noninstructional Equipment												
Total Facil. Acquis. & Const. Serv.												
Total Expenditures	\$ 1,252,090.05	\$ 188,716.41	\$ 140,672.35	\$ 817.00	\$ 62,646.00	\$ 3,938.30	\$ 22,350.72	\$ 5,849.00	\$ 48,943.25	\$ 42,510.97	\$ 69,894.80	\$ 1,838,428.85

HAMILTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Total Brought Forward (Ex. E-1d)	English as a Second Language	N.J. Auxiliary Services Ch. 193 Transportation	Home Instruction	Compensatory Education	N.J. Nonpublic Handicapped Services Ch. 193 Supplemental Instruction	Examination & Classification	Corrective Speech	Nonpublic Nursing	Nonpublic Textbooks	Total Carried Forward
REVENUES:											
State Sources	\$	\$ 10,368.88	\$ 120,585.00	\$ 1,412.99	\$ 371,214.00	\$ 125,552.25	\$ 167,792.95	\$ 152,780.28	\$ 124,558.00	\$ 87,125.51	\$ 1,161,389.86
Federal Sources		68,956.76									68,956.76
Local Sources		21,743.43									21,743.43
Total Revenues		90,700.19	10,368.88	120,585.00	1,412.99	371,214.00	125,552.25	167,792.95	152,780.28	124,558.00	1,252,090.05
EXPENDITURES:											
Instruction:											
Salaries of Teachers											
Other Salaries for Instruc.											
Purch. Prof. - Educ. Services	3,610.50	10,368.88	120,585.00	1,412.99	371,214.00	125,552.25	167,792.95	152,780.28			953,316.85
Other Purch. Services											
General Supplies	60,703.18										60,703.18
Textbooks										87,125.51	87,125.51
Other Objects	1,000.00										1,000.00
Total Instruction	65,313.68	10,368.88	120,585.00	1,412.99	371,214.00	125,552.25	167,792.95	152,780.28		87,125.51	1,102,145.54
Support Services:											
Salaries of Supervisors of Instruc.											
Salaries of Other Prof. Staff	9,017.00										9,017.00
Salaries of Sec. & Clerical Asst.											
Other Salaries											
Personal Services - Empl. Benefits											
Purch. Prof. - Educ. Services									124,558.00		124,558.00
Other Purch. Prof. Services											
Purch. Prof./Technical Services	8,527.00										8,527.00
Other Purch. Services	6,633.26										6,633.26
Supplies and Materials	263.50										263.50
Miscellaneous Expenditures	945.75										945.75
Total Support Services	25,386.51								124,558.00		149,944.51
Facilities Acquis. & Const. Serv.:											
Buildings											
Instructional Equipment											
Noninstructional Equipment											
Total Facil. Acquis. & Const. Serv.											
Total Expenditures	\$ 90,700.19	\$ 10,368.88	120,585.00	\$ 1,412.99	\$ 371,214.00	\$ 125,552.25	\$ 167,792.95	\$ 152,780.28	\$ 124,558.00	\$ 87,125.51	\$ 1,252,090.05

HAMILTON TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Carl Perkins	Include	Corporate Sponsorship Program	Crockett American Eagle Donation	S.T.E.P.	Rider Connect Ed	Greenwood Donations	Hamilton Education Foundation	Relay for Life	Total Carried Forward
REVENUES:										
State Sources	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Federal Sources	61,419.25	7,537.51								68,956.76
Local Sources			8,527.00	4,850.00	1,933.80	3,564.75	922.13	1,000.00	945.75	21,743.43
Total Revenues	61,419.25	7,537.51	8,527.00	4,850.00	1,933.80	3,564.75	922.13	1,000.00	945.75	90,700.19
EXPENDITURES:										
Instruction:										
Salaries of Teachers										
Other Salaries for Instruc.										
Purch. Prof. - Educ. Services	3,610.50									3,610.50
Other Purch. Services										
General Supplies	54,931.05			4,850.00			922.13			60,703.18
Textbooks										
Other Objects								1,000.00		1,000.00
Total Instruction	58,541.55			4,850.00			922.13	1,000.00		65,313.68
Support Services:										
Salaries of Supervisors of Instruc.										
Salaries of Other Prof. Staff		7,279.00			1,738.00					9,017.00
Salaries of Sec. & Clerical Asst.										
Other Salaries										
Personal Services - Empl. Benefits										
Purch. Prof. - Educ. Services										
Other Purch. Prof. Services			8,527.00							8,527.00
Purch. Prof/Technical Services										
Other Purch. Services	2,810.00	258.51				3,564.75				6,633.26
Supplies and Materials	67.70				195.80					263.50
Miscellaneous Expenditures									945.75	945.75
Total Support Services	2,877.70	7,537.51	8,527.00		1,933.80	3,564.75			945.75	25,386.51
Facilities Acquis. & Const. Serv.:										
Buildings										
Instructional Equipment										
Noninstructional Equipment										
Total Facil. Acquis. & Const. Serv.										
Total Expenditures	\$ 61,419.25	\$ 7,537.51	\$ 8,527.00	\$ 4,850.00	\$ 1,933.80	\$ 3,564.75	\$ 922.13	\$ 1,000.00	\$ 945.75	\$ 90,700.19

CAPITAL PROJECTS FUND

SECTION – F

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
CAPITAL PROJECTS FUND
FISCAL YEAR ENDED JUNE 30, 2012**

PROJECT TITLE / ISSUE	APPROPRIATIONS	REAUTHORIZED APPROPRIATIONS	EXPENDITURES TO DATE		OPERATING TRANSFERS IN (OUT) CURRENT YEAR	OPERATING TRANSFERS IN (OUT) PRIOR YEARS	UNEXPENDED BALANCE
			PRIOR YEARS	CURRENT YEAR			
Various Capital Improvements							
Transfer from General Fund	\$2,316,681.00	(\$650,000.00)	\$1,706,278.36	(\$58,872.19)			\$19,274.83
Additional State School Building Aid-(ROD) Grants	1,091,444.18		1,063,581.99	27,862.19			
Subtotal	3,408,125.18	(650,000.00)	2,769,860.35	(31,010.00)			19,274.83
Various Capital Improvements							
Transfer from General Fund	1,553,849.00	650,000.00		1,854,940.97			348,908.03
Additional State School Building Aid-(ROD) Grants	1,548,286.00			1,322,428.03			225,857.97
Subtotal	3,102,135.00	650,000.00		3,177,369.00			574,766.00
TOTALS	\$6,510,260.18		\$2,769,860.35	\$3,146,359.00			\$594,040.83
Reconciliation - Unexpended Capital Project							
Balances to Fund Balance - June 30, 2012:							
Unexpended Project Balances June 30, 2012							\$3,440,031.52
Add:							
Interest Earned on Deposits & Investments (Cummulative)							1,099,724.66
Less:							
Transfer to Debt Service Fund (Cummulative- Interest Transferred)							(1,084,783.50)
Total Fund Balance (Budgetary Basis) - June 30, 2012							\$3,454,972.68
Less:							
Unexpended Add'l State School Aid - EDA Grants							(1,410,366.28)
Total Fund Balance (GAAP Basis) - June 30, 2012							\$2,044,606.40

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2012

Revenues and Other Financing Sources	
State Sources - ROD Grant	\$ 961,411.18
Transfer from capital reserve	1,153,849.00
Transfer from capital outlay	400,000.00
Interest earned on deposits	7,379.35
Total revenues	<u>2,522,639.53</u>
Expenditures and Other Financing Uses	
Purchased professional and technical services	213,249.00
Land and Improvements	
Construction services	87,119.31
Equipment purchases	
Transfer to Debt Service Fund	
Total expenditures	<u>300,368.31</u>
Excess (deficiency) of revenues over (under) expenditures	2,222,271.22
Fund balance - beginning	1,232,701.46
Fund balance - ending	\$ <u>3,454,972.68</u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
KISTHARDT ELEMENTARY SCHOOL - WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 180,612.00	\$ (88,023.80)	\$ 92,588.20	\$ 92,588.20
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	249,309.00		249,309.00	249,309.00
Interest earned on deposits				
Total revenues	<u>429,921.00</u>		<u>341,897.20</u>	<u>341,897.20</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	20,789.09	10.00	20,799.09	20,799.09
Land and Improvements				
Construction services	202,155.00	(6,070.00)	196,085.00	196,085.00
Equipment purchases				
Total expenditures	<u>222,944.09</u>	<u>(6,060.00)</u>	<u>216,884.09</u>	<u>216,884.09</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$206,976.91</u></u>	<u><u>\$6,060.00</u></u>	<u><u>\$125,013.11</u></u>	<u><u>\$125,013.11</u></u>
Additional Project Information:				
Project Number	1950-150-09-1003			
Grant Date	2009-2010			
Bond Amortization Date				
Bonds Authorized				
Bonds Issued				
Original Cost Authorized	429,921.00			
Additional Cost Authorized				
Revised Cost Authorized	341,897.20			
Percentage Increase over Original Authorized Cost	-79.53%			
Percentage Completion	N/A			
Original Target Completion Date	N/A			
Revised Target Completion Date	2011-2012			

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
KISTHARDT ELEMENTARY SCHOOL - PIPING REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 115,579.00	\$ (84,370.00)	\$ 31,209.00	\$ 31,209.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	159,541.00		159,541.00	159,541.00
Interest earned on deposits				
Total revenues	<u>275,120.00</u>	<u>(84,370.00)</u>	<u>190,750.00</u>	<u>190,750.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	8,300.92		8,300.92	8,300.92
Land and Improvements				
Construction services	70,285.58		70,285.58	70,285.58
Equipment purchases				
Total expenditures	<u>78,586.50</u>	<u></u>	<u>78,586.50</u>	<u>78,586.50</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 196,533.50</u>	<u>\$ (84,370.00)</u>	<u>\$ 112,163.50</u>	<u>\$ 112,163.50</u>

Additional Project Information:	
Project Number	1950-150-09-1005
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	275,120.00
Additional Cost Authorized	
Revised Cost Authorized	190,750.00
Percentage Increase over Original Authorized Cost	-69.33%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
KUSER ELEMENTARY SCHOOL - BOILER REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 194,026.00		\$ 194,026.00	\$ 194,026.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	267,824.00		267,824.00	267,824.00
Interest earned on deposits				
Total revenues	<u>461,850.00</u>		<u>461,850.00</u>	<u>461,850.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	23,799.87	10.00	23,809.87	23,809.87
Land and Improvements				
Construction services	522,860.00		522,860.00	522,860.00
Equipment purchases				
Total expenditures	<u>546,659.87</u>	<u>10.00</u>	<u>546,669.87</u>	<u>546,669.87</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>(\$84,809.87)</u></u>	<u><u>\$ (10.00)</u></u>	<u><u>\$ (84,819.87)</u></u>	<u><u>\$ (84,819.87)</u></u>

Additional Project Information:

Project Number	1950-170-09-1009
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	461,850.00
Additional Cost Authorized	
Revised Cost Authorized	461,850.00
Percentage Increase over Original Authorized Cost	-100.00%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
LALOR ELEMENTARY SCHOOL - TOILET ROOM RENOVATION PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 300,375.00	\$ (173,437.00)	\$ 126,938.00	\$ 126,938.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	414,625.00		414,625.00	414,625.00
Interest earned on deposits				
Total revenues	<u>715,000.00</u>	<u>(173,437.00)</u>	<u>541,563.00</u>	<u>541,563.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	40,280.01		40,280.01	40,280.01
Land and Improvements				
Construction services	263,462.73		263,462.73	263,462.73
Equipment purchases				
Total expenditures	<u>303,742.74</u>	<u></u>	<u>303,742.74</u>	<u>303,742.74</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$411,257.26</u>	<u>\$ (173,437.00)</u>	<u>\$ 237,820.26</u>	<u>\$ 237,820.26</u>

Additional Project Information:

Project Number	1950-180-09-1010
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	715,000.00
Additional Cost Authorized	
Revised Cost Authorized	541,563.00
Percentage Increase over Original Authorized Cost	-75.74%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2010-2011

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
MCGILLIARD ELEMENTARY SCHOOL - WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 268,834.00	\$ (92,193.70)	\$ 176,640.30	\$ 176,640.30
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	371,087.00		371,087.00	371,087.00
Interest earned on deposits				
Total revenues	<u>639,921.00</u>		<u>547,727.30</u>	<u>547,727.30</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	35,664.86	10.00	35,674.86	35,674.86
Land and Improvements				
Construction services	383,738.00	(8,758.68)	374,979.32	374,979.32
Equipment purchases				
Total expenditures	<u>383,738.00</u>	<u>(8,748.68)</u>	<u>410,654.18</u>	<u>410,654.18</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$ 256,183.00</u></u>	<u><u>\$ (8,748.68)</u></u>	<u><u>\$ 137,073.12</u></u>	<u><u>\$ 137,073.12</u></u>

Additional Project Information:

Project Number	1950-200-09-1002
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	639,921.00
Additional Cost Authorized	
Revised Cost Authorized	547,727.30
Percentage Increase over Original Authorized Cost	-85.59%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
MERCERVILLE ELEMENTARY SCHOOL - WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 106,283.00	\$ (51,693.32)	\$ 54,589.68	\$ 54,589.68
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	146,709.00		146,709.00	146,709.00
Interest earned on deposits				
Total revenues	<u>252,992.00</u>	<u>(51,693.32)</u>	<u>201,298.68</u>	<u>201,298.68</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	14,324.00		14,324.00	14,324.00
Land and Improvements				
Construction services	141,188.00	(16,241.32)	124,946.68	124,946.68
Equipment purchases				
Total expenditures	<u>155,512.00</u>	<u>(16,241.32)</u>	<u>139,270.68</u>	<u>139,270.68</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$97,480.00</u></u>	<u><u>\$ (35,452.00)</u></u>	<u><u>\$ 62,028.00</u></u>	<u><u>\$ 62,028.00</u></u>

Additional Project Information:

Project Number	1950-210-09-1001
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	252,992.00
Additional Cost Authorized	
Revised Cost Authorized	201,298.68
Percentage Increase over Original Authorized Cost	-79.57%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
YARDVILLE HEIGHTS ELEMENTARY SCHOOL - BOILER REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 136,959.00	\$ (23,826.00)	\$ 113,133.00	\$ 113,133.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	189,053.00		189,053.00	189,053.00
Interest earned on deposits				
Total revenues	<u>326,012.00</u>	<u>(23,826.00)</u>	<u>302,186.00</u>	<u>302,186.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund	18,354.04	10.00	18,364.04	18,364.04
Purchased professional and technical serv.				
Land and Improvements				
Construction services	250,600.00		250,600.00	250,600.00
Equipment purchases				
Total expenditures	<u>268,954.04</u>	<u>10.00</u>	<u>268,964.04</u>	<u>268,964.04</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$ 57,057.96</u></u>	<u><u>\$ (23,836.00)</u></u>	<u><u>\$ 33,221.96</u></u>	<u><u>\$ 33,221.96</u></u>

Additional Project Information:

Project Number	1950-270-09-1008
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	326,012.00
Additional Cost Authorized	
Revised Cost Authorized	302,186.00
Percentage Increase over Original Authorized Cost	-92.69%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2010-2011

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
HAMILTON HIGH SCHOOL NORTH - BOILER REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 107,076.00		\$ 107,076.00	\$ 107,076.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	147,804.00		147,804.00	147,804.00
Interst earned on deposits				
Total revenues	<u>\$ 254,880.00</u>		<u>254,880.00</u>	<u>254,880.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	22,563.27		22,563.27	22,563.27
Land and Improvements				
Construction services	285,706.45		285,706.45	285,706.45
Equipment purchases				
Total expenditures	<u>308,269.72</u>		<u>308,269.72</u>	<u>308,269.72</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$ (53,389.72)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (53,389.72)</u></u>	<u><u>\$ (53,389.72)</u></u>

Additional Project Information:

Project Number	1950-055-09-1006
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	254,880.00
Additional Cost Authorized	
Revised Cost Authorized	254,880.00
Percentage Increase over Original Authorized Cost	-100.00%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2010-2011

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
HAMILTON HIGH SCHOOL WEST - BOILER REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 162,639.00	(40,776.00)	121,863.00	121,863.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	224,500.00		224,500.00	224,500.00
Interst earned on deposits				
Total revenues	<u>387,139.00</u>	<u>(40,776.00)</u>	<u>346,363.00</u>	<u>346,363.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	20,495.38	10.00	20,505.38	20,505.38
Land and Improvements				
Construction services	270,600.00		270,600.00	270,600.00
Equipment purchases				
Total expenditures	<u>270,600.00</u>	<u>0.00</u>	<u>291,105.38</u>	<u>291,105.38</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$116,539.00</u></u>	<u><u>\$ (40,776.00)</u></u>	<u><u>\$ 55,257.62</u></u>	<u><u>\$ 55,257.62</u></u>

Additional Project Information:

Project Number	1950-060-09-1007
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	387,139.00
Additional Cost Authorized	
Revised Cost Authorized	346,363.00
Percentage Increase over Original Authorized Cost	-89.47%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
H.E.P at WILLEY SCHOOL - WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant	\$ 105,936.00	\$ (32,555.00)	\$ 73,381.00	\$ 73,381.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay	146,229.00		146,229.00	146,229.00
Interest earned on deposits				
Total revenues	<u>252,165.00</u>	<u>(32,555.00)</u>	<u>219,610.00</u>	<u>219,610.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.	14,277.72	10.00	14,287.72	14,287.72
Land and Improvements				
Construction services	160,415.43		160,415.43	160,415.43
Equipment purchases				
Total expenditures	<u>160,415.43</u>	<u>0.00</u>	<u>174,703.15</u>	<u>174,703.15</u>
Excess (deficiency) of revenues over (under) expenditures	<u><u>\$91,749.57</u></u>	<u><u>(\$32,555.00)</u></u>	<u><u>\$44,906.85</u></u>	<u><u>\$44,906.85</u></u>

Additional Project Information:

Project Number	1950-X04-09-1004
Grant Date	2009-2010
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	252,165.00
Additional Cost Authorized	
Revised Cost Authorized	219,610.00
Percentage Increase over Original Authorized Cost	-87.09%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
MORGAN ELEMENTARY- ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant		\$ 276,777.00	\$ 276,777.00	\$ 276,777.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve		388,223.00	388,223.00	388,223.00
Transfer from capital outlay				
Interest earned on deposits				
Total revenues	0.00	665,000.00	665,000.00	665,000.00
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.		34,725.00	34,725.00	34,725.00
Land and Improvements				
Construction services		21,995.63	21,995.63	21,995.63
Equipment purchases				
Total expenditures	0.00	56,720.63	56,720.63	56,720.63
Excess (deficiency) of revenues over (under) expenditures	\$0.00	\$608,279.37	\$608,279.37	\$608,279.37

Additional Project Information:

Project Number	1950-220-10-1004
Grant Date	2011-2012
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	665,000.00
Additional Cost Authorized	
Revised Cost Authorized	665,000.00
Percentage Increase over Original Authorized Cost	-100.00%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2012-2013

HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
YARDVILLE HEIGHTS ELEMENTARY SCHOOL - WINDOW REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant		\$ 189,374.00	\$ 189,374.00	\$ 189,374.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve		265,626.00	265,626.00	265,626.00
Transfer from capital outlay				
Interest earned on deposits				
Total revenues	0.00	455,000.00	455,000.00	455,000.00
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.		25,761.00	25,761.00	25,761.00
Land and Improvements				
Construction services		248,896.68	248,896.68	248,896.68
Equipment purchases				
Total expenditures	0.00	274,657.68	274,657.68	274,657.68
Excess (deficiency) of revenues over (under) expenditures	\$0.00	\$180,342.32	\$180,342.32	\$180,342.32

Additional Project Information:

Project Number	1950-220-10-1004
Grant Date	2011-2012
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	455,000.00
Additional Cost Authorized	
Revised Cost Authorized	455,000.00
Percentage Increase over Original Authorized Cost	-100.00%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2012-2013

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
GRICE MIDDLE SCHOOL ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant		\$ 647,200.00	\$ 647,200.00	\$ 647,200.00
Authorized Transfer from prior ROD grants local balance		650,000.00	650,000.00	650,000.00
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve				
Transfer from capital outlay		277,019.00	277,019.00	277,019.00
Interest earned on deposits				
Total revenues		<u>1,574,219.00</u>	<u>1,574,219.00</u>	<u>1,574,219.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.				
Land and Improvements				
Construction services				
Equipment purchases				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures		<u><u>\$1,574,219.00</u></u>	<u><u>\$1,574,219.00</u></u>	<u><u>\$1,574,219.00</u></u>

Additional Project Information:

Project Number	1950-070-10-1002
Grant Date	2011-2012
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	1,574,219.00
Additional Cost Authorized	
Revised Cost Authorized	1,574,219.00
Percentage Increase over Original Authorized Cost	-100.00%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2012-2013

**HAMILTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS - BUDGETARY BASIS
ROBINSON ELEMENTARY SCHOOL - ROOF REPLACEMENT PROJECT
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources - ROD Grant		\$ 434,935.00	\$ 434,935.00	\$ 434,935.00
Authorized Transfer from prior ROD grants local balance				
Bond proceeds and transfers				
Contribution from private source				
Transfer from capital reserve		500,000.00	500,000.00	500,000.00
Transfer from capital outlay		122,981.00	122,981.00	122,981.00
Interest earned on deposits				
Total revenues		<u>1,057,916.00</u>	<u>1,057,916.00</u>	<u>1,057,916.00</u>
Expenditures and Other Financing Uses:				
Transfer to Debt Service Fund				
Purchased professional and technical serv.				
Land and Improvements				
Construction services				
Equipment purchases				
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures		<u>\$1,057,916.00</u>	<u>\$1,057,916.00</u>	<u>\$1,057,916.00</u>

Additional Project Information:

Project Number	1950-225-10-1003
Grant Date	2011-2012
Bond Amortization Date	
Bonds Authorized	
Bonds Issued	
Original Cost Authorized	1,057,916.00
Additional Cost Authorized	
Revised Cost Authorized	1,057,916.00
Percentage Increase over Original Authorized Cost	-100.00%
Percentage Completion	N/A
Original Target Completion Date	N/A
Revised Target Completion Date	2012-2013

PROPRIETARY FUNDS

SECTION – G

ENTERPRISE FUND

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
ENTERPRISE FUND - FOOD SERVICE
AS OF JUNE 30, 2012**

	FOOD SERVICE - ENTERPRISE FUND
Assets	
Cash and Cash Equivalents	\$ 3,421.19
Accounts Receivable:	
State	2,430.62
Federal	108,682.53
Other	16,304.74
Interfund Receivable	650,836.45
Inventories	<u>82,845.28</u>
Total Current Assets	<u>864,520.81</u>
Noncurrent Assets:	
Fixed Assets:	
Equipment	276,749.01
Accumulated Depreciation	<u>(141,503.07)</u>
Total Noncurrent Assets	<u>135,245.94</u>
Total Assets	<u><u>\$ 999,766.75</u></u>
Liabilities	
Current Liabilities:	
Accounts Payable	\$ 275,126.06
Deferred Revenue	<u>27,349.05</u>
Total Current Liabilities	<u>302,475.11</u>
Noncurrent Liabilities:	
Compensated Absences Payable	<u>2,633.33</u>
Total Noncurrent Liabilities	<u>2,633.33</u>
Total Liabilities	<u>305,108.44</u>
Net Assets	
Investment in Capital Assets	
Net of Related Debt	135,245.94
Unrestricted (Deficit)	<u>559,412.37</u>
Total Net Assets	<u><u>\$ 694,658.31</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
ENTERPRISE FUND - FOOD SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	FOOD SERVICE - ENTERPRISE FUND
Operating Revenues:	
Charges for Daily Services:	
Daily Sales - Reimbursable Programs:	
School Lunch Program	\$ 771,560.85
Daily Sales - Non-reimbursable Programs	<u>544,884.68</u>
Total Operating Revenues	<u>1,316,445.53</u>
Operating Expenses:	
Salaries	1,194,042.12
Employee Benefits	74,604.77
Management and Consultant Fees	240,321.29
Supplies and Materials	168,975.96
Depreciation	19,675.73
Cost of Sales	<u>1,384,630.88</u>
Total Operating Expenses	<u>3,082,250.75</u>
Operating Income (Loss)	<u>(1,765,805.22)</u>
Nonoperating Revenues:	
State Sources:	
State School Lunch Program	41,189.19
Federal Sources:	
National School Lunch Program	1,524,516.35
National School Breakfast Program	229,692.81
Food Distribution Program	148,636.06
Interest Revenue	<u>1,248.74</u>
Total Non-Operating Revenues	<u>1,945,283.15</u>
Change in Net Assets	179,477.93
Total Net Assets Beginning	<u>515,180.38</u>
Total Net Assets Ending	<u><u>\$ 694,658.31</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUND - FOOD SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	FOOD SERVICE - ENTERPRISE FUND
Cash Flows from Operating Activities:	
Cash Received from Customers	\$ 1,319,085.84
Cash Payments to Suppliers for Goods and Services	(1,708,766.44)
Cash Payments for Employee Benefits	(74,604.77)
Cash Payments to Employees for Services	<u>(1,194,533.79)</u>
Net Cash Provided by Operating Activities	<u>(1,658,819.16)</u>
Cash Flows from Non-Capital Financing Activities:	
Cash Received from State and Federal Sources	<u>1,772,943.23</u>
Net Cash Provided by Non-Capital Financing Activities	<u>1,772,943.23</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition of Capital Assets	<u>(122,561.24)</u>
Net Cash Used from Capital and Related Financing Activities	<u>(122,561.24)</u>
Cash Flows from Investing Activities:	
Interest on Deposits	<u>1,248.74</u>
Net Cash Provided by Investing Activities	<u>1,248.74</u>
Net Decrease in Cash and Cash Equivalents	(7,188.43)
Cash and Cash Equivalents at Beginning of Year	<u>10,609.62</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 3,421.19</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUND - FOOD SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Reconciliation of Operating Income to Net Cash

Provided by Operating Activities:

Operating Income	\$ (1,765,805.22)
Adjustments to Reconcile Operating Income to	
Net cash Provided by Operating Income:	
Depreciation Expense	19,675.73
Federal Commodities Received - Non cash	148,636.06
Changes in Assets and Liabilities	
(Increase) Decrease in Inventory	(15,664.44)
Increase (Decrease) in Accounts Payable	121,864.28
Increase (Decrease) in Compensated Absences Payable	(491.67)
Increase (Decrease) in Deferred Revenues	15,664.44
(Increase) Decrease in Interfunds Receivable	(187,300.11)
(Increase) Decrease in Accounts Receivable	<u>4,601.77</u>

Net Cash Provided by Operating Activities	\$ <u><u>(1,658,819.16)</u></u>
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INTERNAL SERVICE FUND

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUND - WORKERS COMPENSATION
AS OF JUNE 30, 2012**

	WORKERS COMPENSATION- INTERNAL SERVICE FUND
Assets	
Cash and Cash Equivalents	\$ 87,680.89
Interfund Accounts Receivable	<u>1,002,045.20</u>
Total Assets	\$ <u><u>1,089,726.09</u></u>
Liabilities	
Claims Payable	\$ <u>692,545.71</u>
Total Liabilities	<u>692,545.71</u>
Net Assets	
Unrestricted	<u>397,180.38</u>
Total Net Assets	\$ <u><u>397,180.38</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUND - WORKERS COMPENSATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	WORKERS COMPENSATION- INTERNAL SERVICE FUND
	<hr/>
Operating Expenses	
Workers Compensation Claims/Insurance	\$ <u>133,689.35</u>
Total Operating Expenses	<u>133,689.35</u>
Net Income (Loss) Before Transfers	(133,689.35)
Transfers In (Out)	<u>29,875.44</u>
Change in Net Assets	(103,813.91)
Total Net Assets Beginning	<u>500,994.29</u>
Total Net Assets Ending	\$ <u><u>397,180.38</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND - WORKERS COMPENSATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	WORKERS COMPENSATION- INTERNAL SERVICE FUND
Cash Flows from Operating Activities:	
Cash Payments for Employee Benefits	\$ (45,149.69)
Net Cash Provided by Operating Activities	<u>(45,149.69)</u>
Cash Flows from Non-Capital Financing Activities:	
Operating Transfers From General Fund	
Interfund - General Fund	<u>71,424.09</u>
Net Cash Provided by Non-Capital Financing Activities	<u>71,424.09</u>
Net Decrease in Cash and Cash Equivalents	26,274.40
Cash and Cash Equivalents at Beginning of Year	<u>61,406.49</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>87,680.89</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ (133,689.35)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Income:	
Changes in Assets and Liabilities	
Increase (Decrease) in Claims Payable	<u>88,539.66</u>
Net Cash Provided by Operating Activities	\$ <u><u>(45,149.69)</u></u>

FIDUCIARY FUNDS

SECTION - H

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
JUNE 30, 2012**

	TRUST FUND		AGENCY FUND		TOTAL
	UNEMPLOYMENT COMPENSATION	PRIVATE PURPOSE SCHOLARSHIP	PAYROLL	STUDENT ACTIVITY	AGENCY FUND
ASSETS					
Cash and Cash Equivalents	\$ 2,067,995.79	\$ 3,959.04	\$ 788,327.30	\$ 616,254.56	\$ 1,404,581.86
Investments		196,393.27			
Other Receivable		2,668.94			
Interfunds Receivable	<u>59,533.79</u>	<u>934.18</u>	<u>160,753.43</u>		<u>160,753.43</u>
Total Assets	\$ <u>2,127,529.58</u>	\$ <u>203,955.43</u>	\$ <u>949,080.73</u>	\$ <u>616,254.56</u>	\$ <u>1,565,335.29</u>
LIABILITIES					
Payroll Deductions and Withholdings	\$	\$	\$ 889,546.94	\$	\$ 889,546.94
Accounts Payable	66,424.88		59,533.79		59,533.79
Interfund Payable		841.31			
Due to Student Groups				616,254.56	616,254.56
Total Liabilities	\$ <u>66,424.88</u>	\$ <u>841.31</u>	\$ <u>949,080.73</u>	\$ <u>616,254.56</u>	\$ <u>1,565,335.29</u>
Net Assets					
Held in Trust for Unemployment Claims and Other purposes	\$ <u>2,061,104.70</u>				
Reserved for scholarships		\$ <u>203,114.12</u>			
Total Liabilities and Net Assets	\$ <u>2,127,529.58</u>	\$ <u>203,955.43</u>			

**HAMILTON TOWNSHIP SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	TRUST FUND	
	<u>UNEMPLOYMENT COMPENSATION</u>	<u>PRIVATE PURPOSE SCHOLARSHIP</u>
ADDITIONS		
Contributions:		
Plan member	\$ 186,620.63	\$
Other		5,293.00
Total Contributions	<u>186,620.63</u>	<u>5,293.00</u>
Investment earnings:		
Interest	<u>28,245.23</u>	<u>2,371.45</u>
Net investment earnings	<u>28,245.23</u>	<u>2,371.45</u>
Total additions	<u>214,865.86</u>	<u>7,664.45</u>
DEDUCTIONS		
Interfund Payable		
Unemployment claims	334,877.02	
Scholarships awarded		9,000.00
Total deductions	<u>334,877.02</u>	<u>9,000.00</u>
Change in net assets	(120,011.16)	(1,335.55)
Net assets—beginning of the year	<u>2,181,115.87</u>	<u>204,449.67</u>
Net assets—end of the year	\$ <u><u>2,061,104.71</u></u>	\$ <u><u>203,114.12</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
STUDENT ACTIVITY AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	BALANCE JUNE 30, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2012
<u>ELEMENTARY SCHOOLS</u>				
Alexander	\$ 13,696.28	\$ 10,921.93	\$ 21,217.43	\$ 3,400.78
Greenwood	1,340.80	4,440.11	4,240.09	1,540.82
Kisthardt	572.27	17,497.83	15,991.82	2,078.28
Klockner	1,900.48	847.82	1,325.77	1,422.53
Kuser	8,956.71	2,729.09	8,483.36	3,202.44
Lalor	974.76	6,706.86	6,170.37	1,511.25
Langtree	2,597.50	5,898.63	5,811.92	2,684.21
McGalliard	4,390.84	6,333.80	4,574.15	6,150.49
Mercerville	11,235.59	11,677.08	12,367.36	10,545.31
Morgan	17,140.64	10,301.82	9,916.60	17,525.86
Robinson	1,340.78	29,606.09	25,099.93	5,846.94
Sayen	1,519.86	14,424.78	13,642.32	2,302.32
Sunnybrae	519.47	5,526.90	3,660.33	2,386.04
Yardville	11,473.53	8,640.87	7,937.46	12,176.94
Wilson	8,702.32	5,884.53	6,592.79	7,994.06
University Heights	9,099.62	5,555.05	7,408.57	7,246.10
Yardville Heights	7,501.13	14,690.74	16,551.78	5,640.09
Total Elementary Schools	\$ <u>102,962.58</u>	\$ <u>161,683.93</u>	\$ <u>170,992.05</u>	\$ <u>93,654.46</u>
<u>MIDDLE SCHOOLS</u>				
Albert E. Grice	\$ 32,771.81	\$ 137,300.65	\$ 116,422.76	\$ 53,649.70
Reynolds	36,080.55	124,888.67	124,087.75	36,881.47
Crockett	48,270.90	91,665.21	98,618.89	41,317.22
Total Intermediate Schools	\$ <u>117,123.26</u>	\$ <u>353,854.53</u>	\$ <u>339,129.40</u>	\$ <u>131,848.39</u>
<u>SENIOR HIGH SCHOOLS</u>				
Hamilton H.S. - West	\$ 90,678.62	\$ 180,068.72	\$ 175,962.24	\$ 94,785.10
Hamilton H.S. - East	144,357.57	275,545.90	265,822.92	154,080.55
Hamilton H.S. - North	144,269.03	309,593.35	311,976.32	141,886.06
Total Senior High Schools	\$ <u>379,305.22</u>	\$ <u>765,207.97</u>	\$ <u>753,761.48</u>	\$ <u>390,751.71</u>
Total All Schools	\$ <u>599,391.06</u>	\$ <u>1,280,746.43</u>	\$ <u>1,263,882.93</u>	\$ <u>616,254.56</u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PAYROLL AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	BALANCE JUNE 30, 2011	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	BALANCE JUNE 30, 2012
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 586,213.00	\$ 111,017,814.32	\$ 110,815,700.02	\$ 788,327.30
Interfunds Receivable	<u>205,654.62</u>	<u>160,753.43</u>	<u>205,654.62</u>	<u>160,753.43</u>
Total Assets	\$ <u>791,867.62</u>	\$ <u>111,178,567.75</u>	\$ <u>111,021,354.64</u>	\$ <u>949,080.73</u>
<u>LIABILITIES</u>				
Payroll Deductions and Withholdings	\$ 686,255.09	\$ 111,119,033.96	\$ 110,915,742.11	\$ 889,546.94
Interfunds Payable	104,739.26	59,533.79	104,739.26	59,533.79
Other Liabilities	<u>873.27</u>	<u> </u>	<u>873.27</u>	<u> </u>
Total Liabilities	\$ <u>791,867.62</u>	\$ <u>111,178,567.75</u>	\$ <u>111,021,354.64</u>	\$ <u>949,080.73</u>

LONG-TERM DEBT

SECTION - I

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SERIAL BONDS
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**Exhibit - I-1
Page 1 of 2**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>ANNUAL DATE</u>	<u>MATURITIES AMOUNT</u>	<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2011</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2012</u>
Additions and Alterations Various Schools	4/1/2001	\$ 22,167,900	8/15/11	1,120,000.00	4.75%	1,120,000.00		1,120,000.00	
School District Refunding Bonds, Series 2004 Early Retirement Funding	11/15/2004	29,105,000	8/15/12	540,000.00	4.61%	28,265,000.00	\$	465,000.00	27,800,000.00
			8/15/13	625,000.00	4.74%				
			8/15/14	725,000.00	4.85%				
			8/15/15 (1)	1,705,000.00	5.10%				
			8/15/16 (1)	1,885,000.00	5.10%				
			8/15/17 (1)	2,070,000.00	5.10%				
			8/15/18 (1)	2,275,000.00	5.10%				
			8/15/19 (1)	2,490,000.00	5.10%				
			8/15/20 (2)	2,725,000.00	5.53%				
			8/15/21 (2)	2,925,000.00	5.53%				
			8/15/22 (2)	3,095,000.00	5.53%				
			8/15/23 (2)	3,275,000.00	5.53%				
			8/16/24 (2)	3,465,000.00	5.53%				

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SERIAL BONDS
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit - I-1
Page 2 of 2

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>ANNUAL DATE</u>	<u>MATURITIES AMOUNT</u>	<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2011</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2012</u>
School District Refunding Bonds, Series 2007	3/30/07	\$ 9,995,000	2/15/15	10,000	4.00%	\$ 9,995,000.00	\$	\$	\$ 9,995,000.00
			2/15/16	65,000	4.00%				
			2/15/17	560,000	4.00%				
			2/15/18	1,750,000	4.00%				
			2/15/19	1,860,000	4.00%				
			2/15/20	1,880,000	4.00%				
			2/15/21	1,945,000	4.00%				
			2/15/22	1,925,000	4.00%				
School District Refunding Bonds, Series 2009	2/3/09	\$ 6,505,000	8/15/12	1,090,000	2.50%	6,505,000.00			6,505,000.00
			8/15/12	100,000	4.00%				
			8/15/13	1,020,000	2.50%				
			8/15/13	165,000	4.00%				
			8/15/14	605,000	2.625%				
			8/15/14	575,000	4.00%				
			8/15/15	915,000	2.75%				
			8/15/15	765,000	4.00%				
			8/15/16	635,000	3.00%				
			8/15/16	635,000	4.00%				
Totals						\$ 45,885,000.00	\$	\$ 1,585,000.00	\$ 44,300,000.00

Footnote(s):

(1) \$10,425,000 @ 5.10% Term Bonds due August 15, 2019

(2) \$15,485,000 @ 5.53% Term Bonds due August 15, 2024

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
LONG-TERM DEBT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ORIGINAL ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2011</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2012</u>
			<u>DATE</u>	<u>AMOUNT</u>				
1993 M.C.I.A. Lease Purchase General Improvements and Additions to Schools	12/15/1993	11,000,000.00	2011	730,000	2.60%	3,090,000.00	730,000.00	2,360,000.00
			2012	755,000	2.60%			
			2013	785,000	2.60%			
2003 Refunding Series	9/15/2003		2014	820,000	2.60%			
Totals						<u><u>\$3,090,000.00</u></u>	<u><u>\$730,000.00</u></u>	<u><u>\$2,360,000.00</u></u>

**HAMILTON TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Original Budget	Budget Transfers	Final Budget	Actual (GAAP Basis)	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$537,200.00		\$537,200.00	\$537,200.00	
Miscellaneous				16,577.20	16,577.20
Total - Local Sources	537,200.00		537,200.00	553,777.20	16,577.20
State Sources:					
Debt Service Aid - Type II	226,043.00		226,043.00	226,043.00	
Total - State Sources	226,043.00		226,043.00	226,043.00	
Total Revenues	763,243.00		763,243.00	779,820.20	16,577.20
EXPENDITURES:					
Regular Debt Service:					
Principal Payments - Lease Purchase	730,000.00		730,000.00	730,000.00	
Interest Payments - Lease Purchase	105,333.00		105,333.00	105,299.29	33.71
Interest Payments - Bonds	2,116,867.00		2,116,867.00	2,116,867.00	
Redemption of Bond Principal	1,585,000.00		1,585,000.00	1,585,000.00	
Total Expenditures	4,537,200.00		4,537,200.00	4,537,166.29	33.71
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,773,957.00)		(3,773,957.00)	(3,757,346.09)	16,610.91
OTHER FINANCING SOURCES (USES):					
Operating Transfers In(Out)					
Transfer from Capital Reserve - General Fund	3,150,000.00		3,150,000.00	3,150,000.00	
Total Other Financing Sources (Uses)	3,150,000.00		3,150,000.00	3,150,000.00	
Net Change in Fund Balances	(623,957.00)		(623,957.00)	(607,346.09)	16,610.91
Fund Balances, July 1	3,245,967.20		3,245,967.20	3,245,967.20	
Fund Balances, June 30	\$2,622,010.20		\$2,622,010.20	\$2,638,621.11	\$16,610.91
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance/Transfer from Capital Reserve	(\$3,773,957.00)		(\$3,773,957.00)	(\$3,757,346.09)	\$16,610.91

STATISTICAL SECTION

SECTION – J

**HAMILTON BOARD OF EDUCATION
NET ASSETS BY COMPONENTS
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-1

		Fiscal Year Ending June 30,									
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities											
	Invested in capital assets, net of related debt	\$ (253,525)	\$ 16,786,204	\$ 23,602,973	\$ 29,373,782	\$ 30,815,078	\$ 32,151,606	\$ 33,573,626	\$ 34,848,436	\$ 35,384,820	\$ 34,978,504
	Restricted	21,254,341	7,471,406	10,165,296	11,534,706	15,509,194	14,849,605	13,610,139	14,992,829	17,000,288	14,972,059
	Unrestricted	<u>(2,669,546)</u>	<u>(2,419,823)</u>	<u>(30,375,940)</u>	<u>(30,628,742)</u>	<u>(32,133,419)</u>	<u>(30,577,092)</u>	<u>(28,445,749)</u>	<u>(31,684,747)</u>	<u>(28,197,412)</u>	<u>(24,010,970)</u>
Total governmental activities net assets		<u>\$ 18,331,270</u>	<u>\$ 21,837,787</u>	<u>\$ 3,392,329</u>	<u>\$ 10,279,745</u>	<u>\$ 14,190,854</u>	<u>\$ 16,424,120</u>	<u>\$ 18,738,016</u>	<u>\$ 18,156,518</u>	<u>\$ 24,187,696</u>	<u>\$ 25,939,593</u>
Business-type activities											
	Invested in capital assets, net of related debt	\$ 21,378	\$ 22,420	\$ 34,220	\$ 38,491	\$ 44,930	\$ 56,276	\$ 37,774	\$ 29,583	\$ 32,360	\$ 135,246
	Restricted	-	-	-	-	-	-	-	-	-	-
	Unrestricted	<u>(21,140)</u>	<u>34,689</u>	<u>(34,219)</u>	<u>(15,374)</u>	<u>34,361</u>	<u>33,332</u>	<u>106,122</u>	<u>411,081</u>	<u>482,820</u>	<u>559,412</u>
Total business-type activities net assets		<u>\$ 238</u>	<u>\$ 57,108</u>	<u>\$ 1</u>	<u>\$ 23,117</u>	<u>\$ 79,291</u>	<u>\$ 89,608</u>	<u>\$ 143,896</u>	<u>\$ 440,664</u>	<u>\$ 515,180</u>	<u>\$ 694,658</u>
District-wide											
	Invested in capital assets, net of related debt	\$ (232,148)	\$ 16,808,623	\$ 23,637,193	\$ 29,412,273	\$ 30,860,008	\$ 32,207,882	\$ 33,611,401	\$ 34,878,018	\$ 35,417,181	\$ 35,113,750
	Restricted	21,254,341	7,471,406	10,165,296	11,534,706	15,509,194	14,849,605	13,610,139	14,992,829	17,000,288	14,972,059
	Unrestricted	<u>(2,690,686)</u>	<u>(2,385,134)</u>	<u>(30,410,159)</u>	<u>(30,644,116)</u>	<u>(32,099,058)</u>	<u>(30,543,760)</u>	<u>(28,339,627)</u>	<u>(31,273,666)</u>	<u>(27,714,592)</u>	<u>(23,451,558)</u>
Total district net assets		<u>\$ 18,331,508</u>	<u>\$ 21,894,895</u>	<u>\$ 3,392,330</u>	<u>\$ 10,302,862</u>	<u>\$ 14,270,145</u>	<u>\$ 16,513,728</u>	<u>\$ 18,881,913</u>	<u>\$ 18,597,181</u>	<u>\$ 24,702,877</u>	<u>\$ 26,634,251</u>

Source: CAFR Schedule A-1.

**HAMILTON BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-2

	For The Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
EXPENSES										
Governmental Activities										
Instruction										
Regular	\$ 48,661,953	\$ 49,377,919	\$ 49,538,158	\$ 51,161,304	\$ 53,224,161	\$ 56,688,007	\$ 57,509,025	\$ 58,734,661	\$ 56,644,936	\$ 57,542,173
Special Education	9,929,084	10,121,557	9,993,170	10,198,510	10,652,403	11,252,110	12,954,873	13,214,235	13,518,058	13,801,887
Other Special Instruction	1,900,272	1,607,440	1,621,186	1,703,274	1,852,167	1,737,794	2,070,034	2,666,035	2,656,243	1,997,707
Other Instruction	1,792,070	1,766,556	1,838,516	1,825,087	1,845,270	1,864,552	1,866,998	1,946,457	1,550,901	1,603,512
Adult & Continuing Education Programs	102,547	94,576	92,741	109,049	124,595	116,425	182,346	395,249	380,526	418,597
Support Services										
Tuition	11,104,474	13,520,354	14,396,901	15,030,278	15,467,314	15,465,302	14,434,346	14,278,138	11,986,301	12,325,903
Student & Instruction Related Services	15,850,233	15,893,055	14,528,837	14,853,345	16,504,115	18,200,292	18,005,643	18,665,884	17,720,805	17,570,726
School Administrative Services	5,421,204	5,623,179	5,859,067	5,983,031	6,097,117	6,431,418	6,605,251	7,838,009	7,476,233	6,610,894
General & Business Administrative Services	3,135,035	3,577,646	2,782,182	3,079,386	3,507,882	2,454,945	3,539,334	2,878,525	2,667,510	3,308,212
Plant Operations and Maintenance	11,974,176	13,085,424	13,030,303	12,819,069	13,600,828	14,396,586	15,794,536	16,257,557	14,397,901	14,500,756
Pupil Transportation	6,535,314	7,071,836	7,572,744	7,434,113	8,071,672	8,993,008	9,365,011	9,406,726	8,152,631	8,668,131
Unallocated Benefits	24,376,992	26,709,893	29,521,318	35,689,886	41,006,844	40,790,886	36,677,917	41,377,401	41,394,402	46,651,663
Special Schools	167,004	166,027	155,789	143,866	133,435	135,006	128,980	127,472	136,290	135,387
Interest on Long-Term Debt	2,162,279	1,535,244	2,449,291	2,828,229	2,766,469	2,669,484	2,699,135	2,398,863	2,290,847	2,117,376
Unallocated Depreciation & Amortization	1,447,633	2,502,534	1,283,987	1,038,848	1,301,129	1,209,475	1,236,364	1,180,997	1,050,649	1,069,061
Total Governmental Activities	<u>144,560,271</u>	<u>152,653,240</u>	<u>154,664,190</u>	<u>163,897,275</u>	<u>176,155,401</u>	<u>182,405,290</u>	<u>183,069,792</u>	<u>191,366,209</u>	<u>182,024,233</u>	<u>188,321,987</u>
Business-Type Activities:										
Food Service	<u>3,456,376</u>	<u>3,305,621</u>	<u>3,286,221</u>	<u>3,273,564</u>	<u>3,216,693</u>	<u>3,349,290</u>	<u>3,500,514</u>	<u>3,299,836</u>	<u>2,995,544</u>	<u>3,082,251</u>
Total Business-Type Activities	<u>3,456,376</u>	<u>3,305,621</u>	<u>3,286,221</u>	<u>3,273,564</u>	<u>3,216,693</u>	<u>3,349,290</u>	<u>3,500,514</u>	<u>3,299,836</u>	<u>2,995,544</u>	<u>3,082,251</u>
Total Primary Government Expenses	<u>\$ 148,016,647</u>	<u>\$ 155,958,862</u>	<u>\$ 157,950,411</u>	<u>\$ 167,170,840</u>	<u>\$ 179,372,093</u>	<u>\$ 185,754,580</u>	<u>\$ 186,570,306</u>	<u>\$ 194,666,045</u>	<u>\$ 185,019,777</u>	<u>\$ 191,404,238</u>
Program Revenues										
Governmental Activities										
Operating Grants and Contributions	7,405,394	8,913,610	9,097,546	10,787,250	16,394,651	16,328,458	10,347,742	10,771,333	10,949,173	13,191,193
Interest on Long-Term Debt	<u>985,353</u>	<u>947,577</u>	<u>960,326</u>	<u>962,830</u>	<u>967,809</u>	<u>442,785</u>	<u>444,560</u>	<u>419,657</u>	<u>225,835</u>	<u>226,043</u>
Total Governmental Activities Program Revenues	<u>8,390,747</u>	<u>9,861,187</u>	<u>10,057,872</u>	<u>11,750,080</u>	<u>17,362,460</u>	<u>16,771,243</u>	<u>10,792,302</u>	<u>11,190,990</u>	<u>11,175,008</u>	<u>13,417,236</u>
Business-Type Activities										
Charges for Services										
Food Service	1,658,420	1,768,138	1,650,058	1,521,783	1,661,839	1,552,572	1,622,650	1,431,676	1,280,184	1,316,446
Operating Grants and Contributions	<u>1,571,247</u>	<u>1,393,996</u>	<u>1,383,347</u>	<u>1,574,496</u>	<u>1,260,620</u>	<u>1,413,593</u>	<u>1,571,294</u>	<u>1,805,361</u>	<u>1,788,587</u>	<u>1,944,034</u>
Total Business-Type Activities Program Revenues	<u>3,229,667</u>	<u>3,162,133</u>	<u>3,033,405</u>	<u>3,096,279</u>	<u>2,922,459</u>	<u>2,966,165</u>	<u>3,193,943</u>	<u>3,237,037</u>	<u>3,068,771</u>	<u>3,260,480</u>
Total District Program Revenues	<u>\$ 11,620,414</u>	<u>\$ 13,023,320</u>	<u>\$ 13,091,277</u>	<u>\$ 14,846,359</u>	<u>\$ 20,284,919</u>	<u>\$ 19,737,407</u>	<u>\$ 13,986,246</u>	<u>\$ 14,428,027</u>	<u>\$ 14,243,779</u>	<u>\$ 16,677,716</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (136,169,523)	\$ (142,792,053)	\$ (144,606,317)	\$ (152,147,195)	\$ (158,792,941)	\$ (165,634,048)	\$ (172,277,490)	\$ (180,175,219)	\$ (170,849,225)	\$ (174,904,751)
Business-Type Activities	<u>(226,709)</u>	<u>(143,488)</u>	<u>(252,816)</u>	<u>(177,285)</u>	<u>(294,234)</u>	<u>(383,126)</u>	<u>(306,571)</u>	<u>(62,799)</u>	<u>73,227</u>	<u>178,229</u>
Total District-Wide Net Expense	<u>\$ (136,396,232)</u>	<u>\$ (142,935,541)</u>	<u>\$ (144,859,134)</u>	<u>\$ (152,324,480)</u>	<u>\$ (159,087,174)</u>	<u>\$ (166,017,173)</u>	<u>\$ (172,584,061)</u>	<u>\$ (180,238,018)</u>	<u>\$ (170,775,998)</u>	<u>\$ (174,726,522)</u>

**HAMILTON BOARD OF EDUCATION
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-2

	For The Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues and Other Changes in Net Assets										
Governmental Activities										
Property Taxes, Levied for General Purposes, Net	\$ 72,951,393	\$ 78,596,953	\$ 82,707,819	\$ 85,763,231	\$ 91,928,223	\$ 92,579,869	\$ 92,579,869	\$ 92,579,869	\$ 94,940,634	\$ 94,940,634
Taxes Levied for Debt Service	3,172,903	2,158,743	3,146,800	4,327,433	4,474,401	4,360,177	3,553,676	3,795,070	1,840,961	537,200
Unrestricted Grants and Contributions	51,264,002	57,705,818	57,132,785	55,863,614	55,969,158	58,464,876	69,200,236	72,723,010	69,307,966	74,407,106
Restricted Grants and Contributions	7,128,993	7,492,616	7,640,275	8,515,304	8,334,987	10,279,585	7,983,778	9,660,142	9,538,769	5,535,459
Tuition Received	25,368	24,633	22,290	5,474	68,841	53,398	71,806			
Investment earnings	1,142,791	948,361	933,333	1,513,184	1,645,256	1,528,948	908,983	391,121	387,158	395,856
Miscellaneous Income	406,951	564,507	797,639	582,967	814,557	1,069,916	844,818	1,057,530	1,129,348	1,145,364
Special Item(s)										
Refund of Overpayment ERI Liability				3,330,857						
Retirement of ERI Liability			(24,736,584)	(186,779)						
Transfer - Charter School/									(199,704)	(265,474)
Disposal of Assets	(242,610)	(993,060)	(288,495)	(480,674)	(181,374)	(119,455)	(191,195)	(253,650)	(5,924)	(39,497)
Transfers - Business - Type Activities	(188,668)	(200,000)	(195,001)	(200,000)	(350,000)	(350,000)	(360,585)	(359,371)	(58,803)	
Total Governmental Activities	<u>135,661,123</u>	<u>146,298,570</u>	<u>127,160,861</u>	<u>159,034,611</u>	<u>162,704,049</u>	<u>167,867,314</u>	<u>174,591,386</u>	<u>179,593,721</u>	<u>176,880,404</u>	<u>176,656,648</u>
Business-Type Activities										
Investment earnings	701	358.28	708	402	407	267	274	195	1,290	1,249
Miscellaneous Income	37,577			-	-	43,176				
Transfers - Governmental Activities	188,668	200,000	195,001	200,000	350,000	350,000	360,585	359,371		
Total Business-Type Activities	<u>226,946</u>	<u>200,358</u>	<u>195,709</u>	<u>200,402</u>	<u>350,407</u>	<u>393,442</u>	<u>360,859</u>	<u>359,566</u>	<u>1,290</u>	<u>1,249</u>
Total Primary Government	<u>\$ 135,888,069</u>	<u>\$ 146,498,928</u>	<u>\$ 127,356,570</u>	<u>\$ 159,235,013</u>	<u>\$ 163,054,457</u>	<u>\$ 168,260,756</u>	<u>\$ 174,952,246</u>	<u>\$ 179,953,287</u>	<u>\$ 176,881,694</u>	<u>\$ 176,657,896</u>
Change in Net Assets										
Governmental Activities	\$ (508,400)	\$ 3,506,516	\$ (17,445,457)	\$ 6,887,416	\$ 3,911,108	\$ 2,233,266	\$ 2,313,896	\$ (581,498)	\$ 6,031,179	\$ 1,751,896
Business-Type Activities	237	56,870	(57,107)	23,117	56,174	10,317	54,289	296,767	74,517	179,478
Total District	<u>\$ (508,163)</u>	<u>\$ 3,563,387</u>	<u>\$ (17,502,564)</u>	<u>\$ 6,910,532</u>	<u>\$ 3,967,282</u>	<u>\$ 2,243,583</u>	<u>\$ 2,368,185</u>	<u>\$ (284,732)</u>	<u>\$ 6,105,696</u>	<u>\$ 1,931,374</u>

Source: CAFR Schedule A-2.

HAMILTON BOARD OF EDUCATION
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit - J-3

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund:										
Reserved	\$ 1,308,982	\$ 1,058,365	\$ 677,488	\$ 3,644,233	\$ 6,601,549	\$ 10,517,383	\$ 9,448,647	\$ 10,712,690		
Unreserved	4,845,971	3,029,465	5,851,659	4,067,657	3,940,629	1,991,395	4,203,946	532,731		
Total General Fund	<u>\$ 6,154,953</u>	<u>\$ 4,087,830</u>	<u>\$ 6,529,147</u>	<u>\$ 7,711,890</u>	<u>\$ 10,542,178</u>	<u>\$ 12,508,778</u>	<u>\$ 13,652,593</u>	<u>\$ 11,245,422</u>		
General Fund:										
Nonspendable									\$ 475,122	\$ 424,961
Restricted									10,923,504	14,018,292
Committed									0	0
Assigned									1,236,737	534,457
Unassigned									4,018,710	2,643,586
Total General Fund									<u>\$ 16,654,073</u>	<u>\$ 17,621,296</u>
All Other Governmental Funds:										
Reserved:										
Debt Service Fund			2,310,219	5,184,005	4,610,691	4,095,687	3,859,823	3,222,575		
Unreserved, Reported In:										
Special Revenue Fund	(79,324)	(44,118)	(45,180)	(43,667)	(53,496)	(128,671)				
Capital Projects Fund	15,892,332	5,315,717	1,281,147	285,197	261,112	236,535	1,668	407,564		
Debt Service Fund	1,053,028	97,324	846,441	331,212	845,024	595,000	300,000	650,000		
Total All Other Governmental Funds	<u>\$ 16,866,036</u>	<u>\$ 5,368,923</u>	<u>\$ 4,392,627</u>	<u>\$ 5,756,746</u>	<u>\$ 5,663,331</u>	<u>\$ 4,798,551</u>	<u>\$ 4,161,491</u>	<u>\$ 4,280,139</u>		
All Other Governmental Funds:										
Restricted									\$ 3,245,967	\$ 2,638,621
Committed									610,403	2,845,991
Assigned									7,562	14,941
Unassigned									0	(816,325)
Total All Other Governmental Funds									<u>\$ 3,863,932</u>	<u>\$ 4,683,228</u>

Source(s): CAFR Schedule B-1 (2003-2012)

HAMILTON BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

Exhibit - J-4

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Tax Levy	\$ 76,124,296	\$ 80,755,696	\$ 85,854,619	\$ 90,090,664	\$ 96,402,624	\$ 96,940,046	\$ 96,133,545	\$ 96,374,939	\$ 96,781,595	\$ 95,477,834
Tuition Charges	25,368	24,633	22,290	5,474	68,841	53,398	71,806			
Interest Earnings	874,323	948,361	933,333	1,513,184	1,645,256	1,528,948	908,983	391,121	387,158	395,856
Miscellaneous	675,419	564,507	797,639	580,737	814,557	1,069,916	844,818	1,057,530	1,129,348	1,145,364
State Sources	62,964,909	70,442,245	70,028,548	72,906,202	76,217,756	79,927,562	81,870,588	74,648,655	81,703,061	86,344,375
Federal Sources	3,818,834	4,617,375	4,802,384	3,222,796	5,448,849	6,054,141	6,105,729	18,925,487	8,318,682	7,015,426
Total revenue	<u>\$ 144,483,149</u>	<u>\$ 157,352,817</u>	<u>\$ 162,438,813</u>	<u>\$ 168,319,057</u>	<u>\$ 180,597,883</u>	<u>\$ 185,574,011</u>	<u>\$ 185,935,469</u>	<u>\$ 191,397,731</u>	<u>\$ 188,319,843</u>	<u>\$ 190,378,855</u>
Expenditures										
Instruction										
Regular Instruction	47,645,083	49,100,936	48,070,385	49,855,993	51,356,884	54,745,182	55,727,630	57,013,683	55,069,044	55,730,240
Special Education Instruction	9,775,593	10,060,600	9,993,170	10,178,002	10,553,612	11,318,875	12,949,948	13,214,235	13,424,959	13,857,310
Other special Instruction	1,900,572	1,607,440	1,621,186	1,703,274	1,852,167	1,737,794	2,070,034	2,666,035	2,656,243	1,997,707
Other Instruction	1,792,070	1,766,556	1,838,516	1,825,087	1,845,270	1,864,552	1,866,998	1,946,457	1,550,901	1,603,512
Adult/continuing education	102,547	94,576	92,741	109,049	124,595	116,425	182,346	395,249	380,526	418,597
Support Services										
Tuition	11,104,474	13,520,354	14,396,901	15,030,278	15,467,314	15,465,302	14,434,346	14,278,138	11,986,301	12,325,903
Student & inst. related services	15,850,233	15,893,055	14,528,837	14,853,345	16,504,115	18,200,292	18,005,643	18,665,884	17,720,805	17,570,726
General administration	3,229,286	3,510,103	2,998,140	2,859,981	3,507,882	2,215,974	3,368,313	2,472,249	2,447,729	3,204,399
School administrative services	5,421,204	5,623,179	5,859,067	5,983,031	6,097,117	6,431,418	6,605,251	7,838,009	7,476,233	6,610,894
Plant operations and maintenance	11,974,176	13,085,424	13,464,188	12,900,673	13,600,828	14,396,586	15,794,536	16,257,557	14,397,901	14,288,583
Pupil transportation	6,535,314	7,071,836	7,572,744	7,434,113	8,071,672	8,993,008	9,365,011	9,406,726	8,152,631	8,668,131
Unallocated benefits	22,919,291	26,519,905	29,448,608	33,668,091	40,790,058	40,943,900	36,564,207	39,998,011	42,431,071	46,561,482
Special Schools	167,004	166,027	155,789	143,866	133,435	135,006	128,980	127,472	136,290	135,387
Capital outlay	9,363,360	17,850,943	7,673,193	3,043,600	1,833,302	1,773,824	2,870,555	3,456,438	571,925	816,823
Debt service										
Principal	2,250,000	2,515,000	2,525,000	2,725,000	2,835,000	2,935,000	1,980,000	2,095,000	2,345,000	2,315,000
Interest and other charges	1,907,682	1,561,360	1,581,948	3,341,284	2,796,915	2,708,096	2,612,964	2,419,726	2,321,333	2,222,166
Total expenditures	<u>151,937,889</u>	<u>169,947,294</u>	<u>161,820,413</u>	<u>165,654,667</u>	<u>177,370,166</u>	<u>\$ 183,981,234</u>	<u>184,526,762</u>	<u>192,250,868</u>	<u>183,068,893</u>	<u>188,326,862</u>
Excess (Deficiency) of revenues over (under) expenditures	(7,454,740)	(12,594,477)	618,400	2,664,390	3,227,717	1,592,777	1,408,707	(853,136)	5,250,951	2,051,993
Other Financing Sources (Uses)										
Proceeds from borrowing										
Capital leases (non-budgeted)	1,140,980	859,000								
Proceeds from refunding		7,830,000	29,168,835	9,995,000			6,743,457			
Payment to excrow agent		(7,830,000)	(26,109,677)	(10,376,975)			(6,969,681)	(747)		
Payment/Receipt ERI Liability Escrow				3,144,078						
Transfers in	257,558	438,954		1,110,853	199,690	12,873		2,316,681	1,949,538	4,703,849
Transfers out	(1,519,052)	(2,267,714)	(2,212,538)	(3,990,484)	(699,534)	(494,829)	(675,728)	(3,751,322)	(2,208,045)	(4,969,323)
Total other financing sources (uses)	<u>(120,514)</u>	<u>(969,760)</u>	<u>846,620</u>	<u>(117,528)</u>	<u>(499,844)</u>	<u>\$ (481,956)</u>	<u>(901,952)</u>	<u>(1,435,388)</u>	<u>(258,507)</u>	<u>(265,474)</u>
Net change in fund balances	<u>\$ (7,575,254)</u>	<u>\$ (13,564,237)</u>	<u>\$ 1,465,020</u>	<u>\$ 2,546,862</u>	<u>\$ 2,727,873</u>	<u>\$ 1,110,821</u>	<u>\$ 506,755</u>	<u>\$ (2,288,524)</u>	<u>\$ 4,992,444</u>	<u>\$ 1,786,519</u>
Debt service as a percentage of noncapital expenditures	2.92%	2.68%	2.66%	3.73%	3.21%	3.10%	2.53%	2.39%	2.56%	2.42%

Source: District Records.

HAMILTON TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

Exhibit - J-5

Fiscal Year Ending June 30,										
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Interest on Investments and Deposits	\$ 395,856.07	\$ 387,157.69	\$ 391,120.82	\$ 853,761.56	\$ 1,528,948.44	\$ 1,524,051.74	\$ 1,494,971.43	\$ 933,332.68	\$ 948,360.88	\$ 874,323.43
Athletic Receipts	38,261.00	36,053.00	33,077.00	32,951.00	35,818.00	30,401.00	39,103.00	41,176.00	37,705.00	3,699.41
Childrens Programs								330.00	1,285.00	9,100.00
Travel Program	5,915.00	4,750.00	11,380.00	15,087.00	21,951.50	28,640.00	19,586.50	16,178.25	25,657.00	40,603.00
Community Education	61,329.00	60,642.50	42,990.75	51,860.00	64,167.00	72,269.50	69,256.50	74,424.81	64,725.55	59,682.50
Summer Enrichment Program							4,618.00		14,721.50	8,115.00
Municipal Alliance Program								10,977.00		10,977.00
Facility Rental Fees	58,893.15	64,527.80	56,691.36	45,976.00	54,180.50	49,463.75	36,707.50	42,771.50	30,139.50	39,283.00
Transportation Fees	103,405.91	30,124.50	47,784.95	29,116.30	87,938.45	15,737.17				
Energy Savings							108,091.37	128,845.02	144,388.82	117,012.15
Arbitrage Rebate										
Other Miscellaneous Revenues	447,634.05	419,261.24	286,178.56	219,021.13	324,283.78	322,760.32	264,740.69	262,161.94	137,585.83	70,592.15
Refund of Prior Year Expenditures		10,762.06	114,716.32	103,544.57	136,848.82	134,779.54	22,851.00	191,578.01	26,227.26	37,950.84
Tuition - Individuals and State	64,275.45	71,998.99	68,767.53							
Payments In Lieu of Taxes	320,000.00	320,000.00	320,000.00	318,000.00	212,800.00	107,600.00				
	<u>\$ 1,495,569.63</u>	<u>\$ 1,405,277.78</u>	<u>\$ 1,372,707.29</u>	<u>\$ 1,669,317.56</u>	<u>\$ 2,466,936.49</u>	<u>\$ 2,285,703.02</u>	<u>\$ 2,059,925.99</u>	<u>\$ 1,701,775.21</u>	<u>\$ 1,430,796.34</u>	<u>\$ 1,271,338.48</u>

Source: District Records.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE & ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
UNAUDITED**

**Exhibit J-6
 1 of 2**

FY ENDED June 30,	<u>VACANT LAND</u>	<u>RESIDENTIAL</u>	<u>FARM REG.</u>	<u>QFARM</u>	<u>COMMERCIAL</u>	<u>INDUSTRIAL</u>	<u>APARTMENT</u>
2003	78,093,000	3,658,236,700	15,583,100	2,478,726	789,761,500	105,441,100	156,750,734
2004	70,346,650	3,698,879,000	15,127,200	2,355,779	873,467,050	104,103,800	156,741,834
2005	81,689,609	3,715,915,750	15,224,000	2,266,940	874,110,250	97,721,900	156,379,434
2006	65,741,059	3,763,560,000	14,979,500	2,269,521	936,675,050	99,838,900	158,456,400
2007	67,692,359	3,816,408,000	13,718,250	2,171,145	958,845,904	98,156,400	155,900,800
2008	75,950,509	3,839,193,850	13,756,500	1,909,085	986,974,800	96,760,100	155,647,200
2009	67,175,459	3,848,536,560	14,173,550	3,013,176	981,648,650	96,414,400	156,514,000
2010	53,010,909	3,849,953,450	13,765,450	1,762,711	996,733,500	94,652,000	152,721,100
2011	52,441,009	3,856,470,550	14,348,350	1,745,202	972,705,800	91,370,800	150,129,200
2012	50,915,209	3,856,632,500	14,226,550	1,772,042	960,241,400	99,139,400	156,687,750

**HAMILTON TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE & ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
UNAUDITED**

**Exhibit J-6
 2 of 2**

FY ENDED <u>June 30,</u>	TOTAL ASSESSED <u>VALUE</u>	LESS: TAX EXEMPT <u>PROPERTY</u>	PUBLIC UTILITIES	NET VALUATION <u>TAXABLE</u>	COUNTY EQUALIZED <u>VALUE</u>	SCHOOL <u>TAX RATE</u>
2003	4,806,344,860	458,661,374	25,911,699	4,832,256,559	5,486,519,237	1.62
2004	4,921,021,313	470,419,874	23,608,964	4,944,630,277	6,148,503,352	1.69
2005	4,943,307,883	473,213,322	20,768,203	4,964,076,086	7,048,773,081	1.77
2006	5,041,520,430	476,770,589	18,139,869	5,059,660,229	7,955,291,150	1.84
2007	5,112,892,858	479,988,665	15,731,428	5,128,624,286	9,361,748,161	1.88
2008	5,170,192,044	484,085,501	15,208,497	5,185,400,541	10,114,275,612	1.86
2009	5,167,475,795	487,394,013	15,953,486	5,183,429,281	10,444,604,711	1.86
2010	5,162,599,120	487,099,013	18,661,711	5,181,260,831	10,455,312,066	1.86
2011	5,139,210,911	481,345,473	17,779,026	5,156,989,937	9,825,524,148	1.86
2012	5,139,614,851	480,244,473	18,695,945	5,158,310,796	9,160,155,030	1.86

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Source(s): Hamilton Township Tax Assessor.
 Mercer County Board of Taxation, Abstract of Ratables.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
DIRECT & OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-7

<u>SCHOOL DISTRICT DIRECT RATE</u>				<u>OVERLAPPING RATES</u>		
<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>BASIC RATE</u>	<u>GENERAL OBLIGATION DEBT SERVICE</u>	<u>TOTAL DIRECT SCHOOL TAX RATE</u>	<u>HAMILTON TOWNSHIP</u>	<u>MERCER COUNTY</u>	<u>TOTAL DIRECT AND OVERLAPPING TAX RATE</u>
2003	1.56	0.06	1.62	0.65	0.67	2.94
2004	1.63	0.06	1.69	0.79	0.70	3.18
2005	1.70	0.07	1.77	0.77	0.81	3.35
2006	1.75	0.09	1.84	0.77	0.81	3.42
2007	1.80	0.08	1.88	0.81	0.86	3.55
2008	1.78	0.08	1.86	1.19	0.91	3.96
2009	1.78	0.08	1.86	1.17	0.97	3.998
2010	1.79	0.07	1.86	1.17	0.98	4.055
2011	1.81	0.05	1.86	1.18	0.92	4.001
2012	1.84	0.02	1.86	1.2	0.94	4.074

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Source(s): Mercer County Board of Taxation, Abstract of Ratables
District A4F Reports.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO
UNAUDITED**

Exhibit J-8

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<u>TAXPAYER</u>	<u>TAXABLE ASSESSED VALUE</u>	<u>2002</u>		<u>TAXPAYER</u>	<u>TAXABLE ASSESSED VALUE</u>	<u>2012</u>	
		<u>RANK</u>	<u>% OF TOTAL NET ASSESSED VALUE</u>			<u>RANK</u>	<u>% OF TOTAL NET ASSESSED VALUE</u>
Quakerbridge Plaza	35,277,900	1	0.78%	JDN	53,420,583	1	1.03%
Bell Atlantic	25,976,151	2	0.58%	PSEG	35,108,100	2	0.68%
Princeton Arms	19,935,000	3	0.44%	QB Partners	33,753,100	3	0.65%
Reckson Matrix	19,745,100	4	0.44%	Bell Atlantic	22,209,844	4	0.43%
AMC Multi Cinema	19,133,500	5	0.42%	Mitzen Farms	17,388,500	5	0.34%
Mitzen Farms Assoc.	17,370,600	6	0.38%	Horizon Bus. Park	16,362,100	6	0.32%
KR Suburban	15,042,700	7	0.33%	Levin Properties	16,074,000	7	0.31%
Lamar/Independence	12,752,700	8	0.28%	Danch Farms	14,670,500	8	0.28%
Congoleum Corp.	11,977,900	9	0.27%	EPT	14,555,000	9	0.28%
Kuser Village	11,556,000	10	0.26%	Cabot Dr. Holdings	14,500,000	10	0.28%
TOTAL	188,767,551		4.18%		238,041,727		4.60%

Source: Township of Hamilton Tax Assessor.

**HAMILTON BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-9

Fiscal Year Ended June 30,	School Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy*		Collections in Subsequent Years
		Amount	Percentage of Levy	
2003	75,224,337.50	75,224,337.50	100.00%	-
2004	78,439,996.00	78,439,996.00	100.00%	-
2005	83,305,157.50	83,305,157.50	100.00%	-
2006	87,972,641.50	87,972,641.50	100.00%	-
2007	93,246,644.00	93,246,644.00	100.00%	-
2008	96,671,335.00	96,671,335.00	100.00%	-
2009	96,536,795.50	96,536,795.50	100.00%	-
2010	96,254,242.00	96,254,242.00	100.00%	-
2011	96,578,267.00	96,578,267.00	100.00%	-
2012	96,578,267.00	96,578,267.00	100.00%	-
	96,129,714.50	96,129,714.50	100.00%	-

*School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

Source: District records including the Certificate and Report of School Taxes (A4F).

**HAMILTON BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities	Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2003	25,367,900	-	16,462,164	-	-	41,830,064	1.111%	\$ 1,050
2004	24,947,900	-	14,738,088	-	-	39,685,988	1.013%	\$ 986
2005	53,607,900	-	11,647,288	-	-	65,255,188	1.609%	\$ 903
2006	53,130,000	-	8,589,486	-	-	61,719,486	1.402%	\$ 1,433
2007	52,515,000	-	5,959,547	-	-	58,474,547	1.244%	\$ 1,255
2008	50,225,000	-	5,140,000	-	-	55,365,000	1.172%	\$ 1,119
2009	48,940,000	-	4,475,000	-	-	53,415,000	1.032%	\$ 1,060
2010	47,525,000		3,795,000	-	-	51,320,000	n/a	n/a
2011	45,885,000		3,090,000			48,975,000	n/a	n/a
2012	44,300,000		2,360,000			46,660,000	n/a	n/a

Source(s): District CAFR Schedules I-1 and I-2.

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

n/a - not available.

**HAMILTON BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^a
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2003	25,367,900	-	25,367,900	0.52%	\$ 286
2004	24,947,900	-	24,947,900	0.50%	\$ 280
2005	53,607,900	-	53,607,900	1.08%	\$ 602
2006	53,130,000	-	53,130,000	1.05%	\$ 594
2007	52,515,000	-	52,515,000	1.02%	\$ 584
2008	50,225,000	-	50,225,000	0.97%	\$ 556
2009	48,940,000	-	48,940,000	0.94%	\$ 541
2010	47,525,000	-	47,525,000	0.92%	\$ 525
2011	45,885,000	-	45,885,000	0.89%	\$ 519
2012	44,300,000	-	44,300,000	8.55%	\$ 501

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Source(s): County of Mercer Board of Taxation, Abstract of Ratables.
Township of Hamilton Tax Assessor.
District Records.

- a. See Exhibit J-6 for property tax data
- b. See Exhibit J-14 for population data

**HAMILTON BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012
UNAUDITED**

Exhibit J-12

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Hamilton	72,512,663	100.00%	72,512,663
County of Mercer - Township's Share	513,047,444	21.95%	110,245,693
Subtotal Overlapping Debt			182,758,356
Net Direct Debt of School District			<u>45,855,000</u>
Total Direct and Overlapping Debt			\$ <u><u>228,613,356</u></u>

Source(s): Township of Hamilton Chief Financial Officer.
County of Mercer Finance Department.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and the businesses of Hamilton. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

HAMILTON BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-13

Legal Debt Margin Calculation for Transition Year 2010

	Equalized Valuation Basis
2009	10,397,355,604
2010	9,803,644,360
2011	9,094,338,898
[A]	<u>\$ 29,295,338,862</u>
Avg Equalized Valuation of Taxable Property	[A/3] \$ 9,765,112,954
School Borrowing Margin (4%)	[B] 390,604,518
Net Bonded School Debt	[C] 44,300,000
Legal Debt Margin	<u>[B-C] \$ 346,304,518</u>

Fiscal Year

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$ 195,217,908	\$ 213,634,513	\$ 242,678,983	\$ 275,280,334	\$ 318,292,335	\$ 358,014,171	\$ 393,267,759	\$ 409,613,519	\$ 407,827,504	\$ 390,604,518
Total Net Debt Applicable to Limit	<u>34,258,067</u>	<u>33,230,572</u>	<u>27,727,945</u>	<u>53,607,900</u>	<u>53,130,000</u>	<u>50,225,000</u>	<u>48,940,000</u>	<u>47,525,000</u>	<u>45,855,000</u>	<u>44,300,000</u> ³
Legal Debt Margin	<u>\$ 160,959,841</u>	<u>\$ 180,403,941</u>	<u>\$ 214,951,038</u>	<u>\$ 221,672,434</u>	<u>\$ 265,162,335</u>	<u>\$ 307,789,171</u>	<u>\$ 344,327,759</u>	<u>\$ 362,088,519</u>	<u>\$ 361,972,504</u>	<u>\$ 346,304,518</u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	<u>17.55%</u>	<u>15.55%</u>	<u>11.43%</u>	<u>19.47%</u>	<u>16.69%</u>	<u>14.03%</u>	<u>12.44%</u>	<u>11.60%</u>	<u>11.24%</u>	<u>11.34%</u>

Source: Annual Debt Statement - TY 2010

**HAMILTON BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2003	88,717	\$ 3,764,351,027	43,100	3.20%
2004	89,092	\$ 3,916,662,504	44,489	2.90%
2005	89,035	\$ 4,055,455,215	45,931	2.30%
2006	89,476	\$ 4,401,771,820	50,471	2.20%
2007	89,942	\$ 4,699,919,210	53,156	1.90%
2008	90,402	\$ 4,723,956,510	55,170	2.40%
2009	90,605	\$ 4,998,677,850	55,170	7.60%
2010	90,605	\$ 4,706,657,935	51,947	7.90%
2011	88,464	N/A	N/A	N/A
2012	88,464	N/A	N/A	7.40%

Source(s):

^a Population information provided by US Bureau of Census, Population Division - Estimates (2010 estimated)

^b Personal income has been estimated based upon the municipal population and the personal income presented.

^c Per Capita Data represents County of Mercer available through the Regional Economic Information System, Burueau of Economic Analysis, U.S. Department of Commerce (2011 estimated).

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
MOST RECENT INFORMATION AVAILABLE
UNAUDITED**

Exhibit J-15

<u>EMPLOYER</u>	<u>EMPLOYEES</u>	2010		<u>EMPLOYEES</u>	<u>RANK</u>	2000	
		<u>RANK</u>	<u>% OF TOTAL MUN. EMPLOYMENT</u>			<u>RANK</u>	<u>% OF TOTAL MUN. EMPLOYMENT</u>
RWJUH @ Hamilton	1,725	1	3.55%	725	3		1.51%
Verizon	645	2	2.18%				
Trane Company	602	3	1.60%	800	2		1.67%
Shop Rite	530	4	1.58%	450	5		0.94%
Congoleum Corporation	525	5	1.54%	1267	1		2.65%
Genesis	510	6	1.31%				
AAA Mid-Atlantic	450	7	0.89%				
United Parcel Service	414	8	0.87%	350	6		0.73%
Capital Health	225	9	0.69%				
Acme Markets	210	10	0.69%	350	6		0.73%
All Clean Building Service				250	10		0.52%
AMC Corporation				292	7		0.61%
American Standard Corp.				253	9		0.53%
TOTALS	<u>5,836</u>		<u>14.90%</u>	<u>4,737</u>			<u>9.89%</u>

Source: Twp. of Hamilton Economic Development Office.

Estimated for CY 2010 based on CY 2009.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED**

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction										
Regular	765	774	764	756	793	802	803	805	750	771
Special Education	152	160	155	153	164	174	169	173	169	177
Other Special Education	56	61	68	64	74	74	76	78	73	74
Vocational										
Other Instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & Instruction related services	88	88	86	86	81	89	87	94	81	86
General Administration	3	3	3	3	3	3	3	3	3	3
School Administrative Services	42	41	41	42	42	42	42	42	41	43
Other Administrative Services	16	13	13	14	16	15	17	16	13	14
Central Services	6	7	7	7	7	7	7	7	6	6
Administrative Information Technology	125	125	120	124	124	130	134	132	129	134
Plant Operations and Maintenance	164	168	173	175	172	178	182	176	157	170
Pupil Transportation	7	7	7	8	8	9	9	9	8	7
Other support services	222	231	226	232	236	272	279	272	271	276
Special Schools										
Food Service	66	61	45	42	38	36	36	30	7	2
Child Care										
Total	1712	1739	1708	1706	1758	1831	1844	1837	1708	1763

Source: District Personnel Records.

HAMILTON BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle	High School				
2003	13,227	138,416,550	8,086	4.04%	1,291	15	15	13	13,081.7	12,243.2	0.58%	93.59%
2004	13,326	148,019,991	8,453	4.54%	1,204	13	13	14	13,183.8	12,339.3	0.78%	93.59%
2005	13,485	150,040,270	8,606	1.81%	1,173	13	13	13	13,234.4	12,455.8	0.38%	94.12%
2006	13,546	156,545,782	8,923	3.68%	1,159	13	13	15	13,259.5	12,486.3	0.19%	94.17%
2007	13,425	169,904,949	9,564	7.18%	1,192	14	14	15	13,110.8	12,329.8	-1.12%	94.04%
2008	13,198	176,098,315	9,876	3.26%	1,229	13	13	14	12,911.7	12,180.9	-1.52%	94.34%
2009	13,068	179,933,797	11,232	13.73%	1,197	13	13	14	12,853.9	12,076.2	-0.45%	93.95%
2010	12,905	184,911,001	11,587	3.16%	978	13	13	13	12,711.5	11,956.3	-1.11%	94.06%
2011	12,686	178,402,480	11,928	2.94%	1,018	13	13	14	12,521.6	11,783.8	-1.49%	94.11%
2012	12,454	183,489,327	14,733	23.52%	948	13	12	13	12,327.4	11,663.0	-1.55%	94.61%

Source(s): District Records and previous audits.

Note: Enrollment based on annual October District count.

a Operating expenditures equal total governmental funds expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d Cost per Pupil = Budgeted - Costs Regular Education (Per Pupil Cost Calculations 09/10 Budget).

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

**Exhibit J-18
1 of 4**

<u>BUILDING</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Elementary Schools										
Alexander (1962)										
Square Feet	31,997	31,997	31,997	31,997	31,997	31,997	31,997	31,997	31,997	31,997
Student Capacity	245	245	245	245	245	245	245	245	245	245
Enrollment	410	403	409	418	407	390	392	400	370	370
Greenwood (1917)										
Square Feet	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398
Student Capacity	220	220	220	220	220	220	220	220	220	220
Enrollment	226	224	221	216	225	238	231	231	232	232
Kisthardt (1951)										
Square Feet	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242
Student Capacity	189	189	189	189	189	189	189	189	189	189
Enrollment	217	225	208	234	247	273	236	240	235	235
Klockner (1908)										
Square Feet	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354
Student Capacity	256	256	256	256	256	256	256	256	256	256
Enrollment	303	286	266	253	266	265	269	239	247	247
Kuser (1908)										
Square Feet	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813
Student Capacity	367	367	367	367	367	367	367	367	367	367
Enrollment	436	418	390	375	354	342	349	345	366	366
Lalor (1926)										
Square Feet	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408
Student Capacity	217	217	217	217	217	217	217	217	217	217
Enrollment	298	299	286	290	283	264	258	246	274	274

Exhibit J-18

2 of 4

<u>BUILDING</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Langtree (1966)										
Square Feet	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516
Student Capacity	293	293	293	293	293	293	293	293	293	293
Enrollment	388	378	388	399	425	383	390	398	374	374
McGalliard (1952)										
Square Feet	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444
Student Capacity	226	226	226	226	226	226	226	226	226	226
Enrollment	281	287	277	263	284	296	289	286	289	289
Mercerville (1911)										
Square Feet	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098
Student Capacity	329	329	329	329	329	329	329	329	329	329
Enrollment	386	399	415	423	408	395	393	396	384	384
Morgan (1957)										
Square Feet	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434
Student Capacity	266	266	266	266	266	266	266	266	266	266
Enrollment	431	415	397	392	418	396	406	414	380	380
Robinson (1962)										
Square Feet	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073
Student Capacity	309	309	309	309	309	309	309	309	309	309
Enrollment	463	453	447	444	432	432	430	430	408	408
Sayen (1955)										
Square Feet	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750
Student Capacity	208	208	208	208	208	208	208	208	208	208
Enrollment	291	296	292	276	277	289	292	295	301	301
Sunnybrae (1966)										
Square Feet	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778
Student Capacity	244	244	244	244	244	244	244	244	244	244
Enrollment	333	322	326	357	360	344	353	365	335	335

<u>BUILDING</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
University Hgts. (1977)										
Square Feet	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333
Student Capacity	299	299	299	299	299	299	299	299	299	299
Enrollment	339	346	377	376	397	398	401	374	356	356
Wilson (1977)										
Square Feet	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333
Student Capacity	307	307	307	307	307	307	307	307	307	307
Enrollment	411	365	383	368	367	385	389	356	378	378
Yardville (1938)										
Square Feet	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370
Student Capacity	254	254	254	254	254	254	254	254	254	254
Enrollment	391	387	358	349	341	345	338	311	279	279
Yardville Hgts. (1917)										
Square Feet	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365
Student Capacity	237	237	237	237	237	237	237	237	237	237
Enrollment	245	258	256	272	276	289	276	273	269	269
Middle Schools										
Crockett (1989)										
Square Feet	110,248	110,248	115,142	115,142	115,142	115,142	115,142	115,142	115,142	115,142
Student Capacity	780	780	780	780	780	780	780	780	780	780
Enrollment	1,052	1,000	1,002	1,005	961	914	917	923	892	892
Grice (1960)										
Square Feet	106,130	106,130	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,128
Student Capacity	796	796	796	796	796	796	796	796	796	796
Enrollment	1,020	1,082	1,046	1,034	963	939	928	936	946	946
Reynolds (1960)										
Square Feet	105,314	105,314	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,514
Student Capacity	774	774	774	774	774	774	774	774	774	774
Enrollment	1,114	1,202	1,211	1,227	1,201	1,202	1,147	1,106	1,107	1,107

<u>BUILDING</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
High Schools										
Hamilton East (1967)										
Square Feet	175,185	175,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185
Student Capacity	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265
Enrollment	1,540	1,529	1,622	1,612	1,698	1,706	1,610	1,595	1,548	1,548
Hamilton North (1953)										
Square Feet	145,686	145,686	162,586	162,586	162,586	162,586	162,586	162,586	162,586	162,586
Student Capacity	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063
Enrollment	1,308	1,310	1,340	1,448	1,462	1,437	1,473	1,380	1,387	1,387
Hamilton West (1929)										
Square Feet	160,548	160,548	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,348
Student Capacity	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113
Enrollment	1,260	1,281	1,351	1,392	1,441	1,450	1,373	1,366	1,329	1,329
Other Buildings										
Administration Building (1898)										
Square Feet	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515
Student Capacity	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Enrollment	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hamilton Educational Program (HEP) ¹										
Square Feet	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Student Capacity	23	23	23	23	23	23	23	23	23	23
Enrollment	50	62	58	62	53	53	58	57	61	61

¹ HEP location moved to Willey 2001-02 SY.

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions.
Enrollment is based on the annual October district count.

Source: District Records and Long Range Facility Plan.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED**

Exhibit J-19

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

11-000-261-XXX

SCHOOL FACILITY	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Hamilton HS East - Steinert	265,601	157,723	660,044	296,398	303,378	371,449	432,310	381,597	366,539	328,323
Hamilton HS North - Nottingham	330,377	618,634	187,914	252,161	253,537	309,411	511,228	313,584	258,787	273,433
Hamilton HS West	234,728	985,132	565,170	277,153	284,413	347,019	384,372	364,475	292,657	306,723
Grice Middle	156,184	105,531	198,001	175,227	177,681	217,192	227,695	246,947	188,900	191,860
Reynolds Middle	155,515	105,955	558,663	173,466	178,302	216,024	211,050	227,615	191,623	190,844
Crockett Middle	163,134	139,599	134,067	172,525	179,852	219,122	228,406	213,960	190,963	193,639
Alexander Elementary	47,821	31,228	74,891	48,578	51,296	60,892	83,739	125,237	58,940	53,873
Wilson Elementary	61,707	135,095	61,177	59,530	62,044	74,853	80,697	79,292	67,922	66,071
Greenwood Elementary	56,827	33,661	62,325	44,488	45,332	54,043	64,308	72,006	49,314	47,775
Kisthardt Elementary	37,823	296,080	81,671	39,623	43,176	48,037	52,084	49,708	52,181	42,438
Klockner Elementary	65,658	38,339	53,085	66,880	70,825	84,408	120,970	90,855	81,566	74,712
Kuser Elementary	77,183	99,338	69,205	82,782	81,276	98,603	108,497	142,325	84,244	87,164
Lalor Elementary	58,772	77,327	58,649	59,140	58,018	69,287	77,924	75,865	64,729	61,243
Langtree Elementary	58,732	39,492	53,796	60,161	63,126	75,201	75,292	71,768	63,995	66,579
McGalliard Elementary	160,056	36,770	38,620	51,547	46,656	56,034	69,054	58,657	58,796	49,553
Mercerville Elementary	72,772	70,513	70,345	67,581	71,668	85,824	87,501	111,485	85,642	75,728
Morgan Elementary	52,108	34,383	68,844	54,070	54,568	65,530	69,293	88,014	60,912	57,939
Robinson Elementary	64,839	40,304	80,459	60,828	67,621	76,261	77,592	75,557	68,739	67,342
Sayen Elementary	43,132	71,391	36,086	43,295	46,994	52,810	71,638	74,095	56,997	46,758
Sunnybrae Elementary	53,647	30,411	37,339	49,171	51,117	60,475	62,928	61,190	56,507	53,365
University Heights Elementary	60,272	141,320	89,057	60,148	62,570	74,853	75,761	80,411	68,557	66,071
Yardville Elementary	351,932	47,590	50,133	53,636	62,930	67,312	89,586	85,718	59,362	59,464
Yardville Heights Elementary	57,129	28,408	42,258	51,952	52,986	63,496	80,464	96,538	53,566	56,160
Wiley School	51,544	14,143	17,746	22,893	39,592	27,404	33,190	27,938	23,153	24,141
Grand Total	2,737,493	3,378,367	3,349,545	2,323,233	2,408,958	2,875,540	3,375,579	3,214,837	2,604,591	2,541,198

Source: District Records.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2012
UNAUDITED**

Exhibit J-20

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy (1)		
Property/Building and Contents	258,763,024	1,000
Comprehensive General Liability	2,000,000	1,000
Comprehensive Automobile Liability	1,000,000	1,000
Umbrella	15,000,000	n/a
Student Accident (2)	500,000	n/a
Surety Bonds (1)		
Treasurer of School Monies	640,000	n/a
Board Secretary	50,000	n/a
Legal Liability/Errors & Omissions (3)	5,000,000	10,000

(1) Selective Way Insurance Company

(2) National Union Fire Insurance Company

(3) New Jersey School Boards Insurance Group

Source: District Records.

SINGLE AUDIT SECTION

SECTION – K

HODULIK & MORRISON, P.A.
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS
PUBLIC SCHOOL ACCOUNTANTS
1102 RARITAN AVENUE, P.O. BOX 1450
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K-1

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AMERICAN INSTITUTE OF CPA'S
NEW JERSEY SOCIETY OF CPA'S
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

JO ANN BOOS, CPA, PSA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and Members
of the Board of Education
Township of Hamilton School District
County of Mercer
Hamilton, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Hamilton School District, in the County of Mercer, State of New Jersey, as of and for the year ended June 30, 2012 which collectively comprise the Township of Hamilton School District's basic financial statements and have issued our report thereon dated November 21, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Township of Hamilton School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township of Hamilton School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Hamilton School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Hamilton School District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Hamilton School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that we have reported to the Board of Education of the Township of Hamilton School District in a separate *Auditors' Management Report on Administrative Findings – Financial Compliance and Performance* dated November 21, 2012.

This report is intended solely for the information and use of the Board of Education, management, New Jersey Department of Education and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Hodulik & Morrison, P.A.

HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
November 21, 2012

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04

Honorable President and Members
of the Board of Education
Township of Hamilton School District
County of Mercer
Hamilton, New Jersey

Compliance

We have audited the compliance of the Township of Hamilton School District, in the County of Mercer, State of New Jersey, with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*" and the *New Jersey Compliance Manual "State Aid/Grant Compliance Supplement"* that could have a direct and material effect on each of the Township of Hamilton School District's major federal and state programs for the fiscal year ended June 30, 2012. The Township of Hamilton School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Township of Hamilton School District's management. Our responsibility is to express an opinion on the Township of Hamilton School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Hamilton School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Hamilton School District's compliance with those requirements.

In our opinion, the Township of Hamilton School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the Township of Hamilton School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Township of Hamilton School District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJOMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Hamilton School District's internal control over financial reporting.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, management, the New Jersey Department of Education and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



HODULIK & MORRISON, P.A.
Certified Public Accountants
Public School Accountants

Highland Park, New Jersey
November 21, 2012

**Hamilton Township Board of Education
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012**

Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2011	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2012		
				From	To							Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Education														
Passed-through State Department of Education														
General Fund:														
Education Jobs Fund - ARRA	84.410A	N/A	\$ 2,607,972.00	9/1/11	8/31/12	\$	\$	\$ 2,607,972.00	\$ (2,607,972.00)	\$	\$	\$	\$	\$
Special Education Medicaid Initiative	93.778	N/A	241,030.08	9/1/11	8/31/12			199,166.29	(199,166.29)			-		
Total General Fund								2,807,138.29	(2,807,138.29)					
U.S. Department of Agriculture														
Passed-through State Department of Education														
Enterprise Fund:														
Child Nutrition - Cluster:														
National School Lunch Program	10.555	N/A	1,524,516.35	7/1/11	6/30/12			1,432,726.31	(1,524,516.35)			(91,790.04)		
National School Lunch Program	10.555	N/A	1,369,154.96	7/1/10	6/30/11	(72,348.48)		72,348.48				-		
National School Breakfast Program	10.553	N/A	229,692.81	7/1/11	6/30/12			212,800.32	(229,692.81)			(16,892.49)		
National School Breakfast Program	10.553	N/A	207,176.74	7/1/10	6/30/11	(14,417.54)		14,417.54						
Food Distribution Program	10.555	N/A	164,300.50	7/1/11	6/30/12	11,684.61		164,300.50	(148,636.06)			27,349.05		
Total Enterprise Fund						(75,081.41)		1,896,593.15	(1,902,845.22)			(81,333.48)		
U.S. Department of Education														
Passed-through State Department of Education														
Special Revenue Fund:														
Title I - Cluster:														
ARRA - Title I	84.389	ARRA - 11	1,149,741.00	9/1/09	8/31/11	(342,068.25)		309,412.00	(24,084.02)	0.27		(56,740.00)		
Title I - Carryover	84.010A	NCLB - 11	1,149,741.00	9/1/11	8/31/12		497,637.92		(589,447.18)	0.48		(91,808.78)		
Title I	84.010A	NCLB - 12	1,559,902.00	9/1/11	8/31/12			55,192.00	(155,400.23)			(100,208.23)		
Title I - Carryover	84.010A	NCLB - 10		9/1/10	8/31/11	32,293.10	(18,504.66)		(13,788.44)			-		
Title I	84.010A	NCLB - 11	1,515,217.00	9/1/10	8/31/11	(356,118.26)	(479,133.26)	835,252.00		(0.48)		-		
Title I - SIA	84.010A	NCLB - 11	32,826.00	9/1/10	8/31/11	(29,827.15)		29,827.00	(100.00)			(100.15)		
Title III - Carryover	84.264	NCLB - 11		9/1/10	8/31/11	1,091.04	(1,091.04)					-		
Title III - Carryover	84.264	NCLB - 11		9/1/11	8/31/12		5,372.50		(3,938.30)	(1,434.20)		-		
Title III	84.264	NCLB - 11	62,336.00	9/1/10	8/31/10	(21,890.29)	(4,281.46)	26,172.00		(0.25)		-		
Title III	84.264	NCLB - 12	63,626.00	9/1/11	8/31/12			49,987.00	(62,646.00)	1,434.45		(11,224.55)		
Title III - Immigrant - Carryover	84.264	NCLB - 10		9/1/11	8/31/12		35,922.61	3,263.00	(22,350.72)	(17,112.96)		(278.07)		
Title III - Immigrant - Carryover	84.264	NCLB - 11		9/1/10	8/31/11	(12,296.16)	(0.84)	12,297.00				-		
Title III - Immigrant	84.264	NCLB - 11	44,404.00	9/1/10	8/31/11	(11,363.23)	(35,921.77)	11,362.00		17,112.96		(18,810.04)		
IDEA - Cluster:														
ARRA - IDEA, Part B	84.391	ARRA - 10	3,410,082.00	9/1/09	8/31/10	(133,531.20)		203,426.00	(69,894.80)			-		
IDEA, Part B - Carryover	84.027	IDEA - 10		9/1/11	8/31/12		1,005,871.00	144,874.00	(1,218,387.25)			(67,642.25)		
IDEA, Part B - Carryover	84.027	IDEA - 11		9/1/10	8/31/11	34,619.00			(34,885.27)	266.27		-		
IDEA, Part B	84.027	IDEA - 11	3,527,731.00	9/1/10	8/31/11	(881,269.74)	(1,005,871.00)	1,887,141.00	(1,518,973.08)	(0.26)		(365,451.09)		
IDEA, Part B	84.027	IDEA - 12	3,568,000.00	9/1/11	8/31/12			1,152,724.00	(42,510.97)	797.99		-		
ARRA - IDEA, Preschool	84.392	ARRA - 10	123,072.00	9/1/09	8/31/11	(9,636.03)		52,147.00	(42,510.97)			-		
IDEA, Preschool- Carryover	84.173	IDEA - 09		9/1/08	8/31/09	725.53				0.47	(726.00)	-		
IDEA, Preschool- Carryover	84.173	IDEA - 11		9/1/10	8/31/11	(42,360.53)	(544.47)	43,151.00	(246.00)			-		
IDEA, Preschool	84.173	IDEA - 11	125,051.00	9/1/10	8/31/11	(21,058.25)	(94,382.75)	61,569.00		53,872.00		-		
IDEA, Preschool- Carryover	84.173	IDEA - 11		9/1/11	8/31/12		94,927.22		(48,943.25)	(48,896.00)		(2,912.03)		
IDEA, Preschool	84.173	IDEA - 12	124,543.00	9/1/11	8/31/12				(5,849.00)			(5,849.00)		
Title II, Part A - Carryover	84.367A	NCLB - 11		9/1/10	8/31/11	61,683.64	(61,683.64)					-		
Title II, Part A - Carryover	84.367A	NCLB - 11		9/1/10	8/31/11	(113,754.38)	(109,200.62)	222,955.00				-		
Title II, Part A - Carryover	84.367A	NCLB - 11		9/1/11	8/31/12		170,884.26	31,195.00	(140,672.35)	(61,406.91)		-		
Title II, Part A	84.367A	NCLB - 12	301,265.00	9/1/11	8/31/12			84,284.00	(188,716.41)	61,406.91		(43,025.50)		
Title II, Part D	84.318X	NCLB - 10	14,723.00	9/1/09	8/31/10							-		
Title II, Part D - Carryover	84.318X	NCLB - 11		9/1/10	8/31/11	(1,152.84)	(0.16)	1,153.00		1,975.36		-		
Title II, Part D	84.318X	NCLB - 11	3,189.00	9/1/10	8/31/11	(22.00)	(4,600.36)	2,647.00		(1,975.36)		-		
Title II, Part D - Carryover	84.318X	NCLB - 10		9/1/11	8/31/12		4,600.52		(817.00)	(1,975.36)		-	1,808.16	
Title IV - Carryover	84.186	NCLB - 11		9/1/10	8/31/11	(1,672.99)		4,043.00		(2,370.01)		-		
Carl Perkins Grant	84.048A	PERK-09		7/1/08	6/30/09	455.17				(455.17)		-		
Carl Perkins Grant	84.048A	PERK-10		7/1/09	6/30/10	526.20				(150.20)		-		
Carl Perkins Grant	84.048A	PERK-11	68,188.00	7/1/10	6/30/11	(31,665.40)		31,665.00		0.40	(376.00)	-		
Carl Perkins Grant	84.048A	PERK-12	67,506.00	9/1/11	8/31/12			41,698.00	(61,419.25)			(19,721.25)		
INCLUDE GRANT	84.318X	NCLB - 11	235,000.00	9/1/10	8/31/11	(73,725.85)		81,264.00	(7,537.51)	(0.64)				
Total Special Revenue Fund						(1,952,018.87)		5,378,700.00	(4,210,607.03)	3,065.12	(1,102.00)	(783,770.94)	1,808.16	
Total Federal Financial Awards						\$ (2,027,100.28)	\$ -	\$ 10,082,431.44	\$ (8,920,590.54)	\$ 3,065.12	\$ (1,102.00)	\$ (865,104.42)	\$ 1,808.16	\$ -

Note: See Accompanying Notes to Schedules of Expenditures of Awards/Financial Assistance

Hamilton Township Board of Education
Schedule of Expenditures of State Financial Assistance
For The Fiscal Year Ended June 30, 2012

					Balance at June 30, 2011		MEMO		Balance at June 30, 2012					MEMO		
Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	To	Deferred Revenue (Accts Receivable)	Due to Grantor	Budgetary Receivable	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Dept of Education																
General Fund																
Special Education Categorical Aid	11-495-034-5120-089	7,164,360.00	7/1/10	6/30/11	\$	\$	\$ (628,389.90)	\$ 628,389.90	\$	\$	\$	\$	\$	\$	\$	
Special Education Categorical Aid	12-495-034-5120-089	7,164,360.00	7/1/11	6/30/12				6,520,991.40	(7,164,360.00)					(643,368.60)	(7,164,360.00)	
Equalization Aid	11-495-034-5120-078	60,204,761.00	7/1/10	6/30/11			(5,280,329.10)	5,280,329.10								
Equalization Aid	12-495-034-5120-078	63,654,789.00	7/1/11	6/30/12				57,938,508.00	(63,654,789.00)					(5,716,281.00)	(63,654,789.00)	
Security Aid	12-495-034-5120-084	127,832.00	7/1/11	6/30/12				116,352.52	(127,832.00)					(11,479.48)	(127,832.00)	
Extraordinary Aid (Spec Ed)	12-100-034-5120-473	1,102,538.00	7/1/11	6/30/12					(1,102,538.00)		(1,102,538.00)				(1,102,538.00)	
Extraordinary Aid (Spec Ed)	11-100-034-5120-473	1,070,232.00	7/1/10	6/30/11	(1,070,232.00)			1,070,232.00								
Anti Bullying Aid	12-100-034-5064-201	2,843.00	7/1/11	6/30/12				2,843.00	(2,843.00)							
Non Pub Transportation Aid	12-495-034-5120-014	40,559.31	7/1/11	6/30/12					(40,559.31)		(40,559.31)				(40,559.31)	
Non Pub Transportation Aid	11-495-034-5120-014	47,863.52	7/1/10	6/30/11	(47,863.53)			47,863.53								
T.P.A.F. Social Security Aid	10-495-034-5095-002	5,685,562.59	7/1/11	6/30/12				5,116,280.27	(5,685,562.59)		(569,282.32)				(568,562.59)	
T.P.A.F. Social Security Aid	11-495-034-5095-002	5,686,134.76	7/1/10	6/30/11	(278,290.86)			278,290.86								
T.P.A.F. Pension Post Retirement Medical	12-495-034-5095-001	5,012,281.00	7/1/11	6/30/12				5,012,281.00	(5,021,281.00)						(5,021,281.00)	
T.P.A.F. Pension Non-Contributory Ins.	12-495-034-5095-001	2,493,349.00	7/1/11	6/30/12				2,493,349.00	(2,493,349.00)						(2,493,349.00)	
Total General Fund					(1,396,386.39)		(5,908,719.00)	84,505,710.58	(85,293,113.90)		(1,712,379.63)			(6,371,129.08)	(80,173,270.90)	
Special Revenue Fund																
NJ Nonpublic Aid:																
Textbook Aid	12-100-034-5120-064	87,201.00	7/1/11	6/30/12				87,201.00	(87,125.51)				75.49		(87,125.51)	
Textbook Aid	11-100-034-5120-064	97,367.00	7/1/10	6/30/11		433.52			(433.52)							
Auxiliary Services:																
Compensatory Education	12-100-034-5120-067	490,291.00	7/1/11	6/30/12				490,291.00	(371,214.00)				119,077.00		(371,214.00)	
Compensatory Education	11-100-034-5120-067	590,275.00	7/1/10	6/30/11		135,032.06			(135,032.06)							
E S L	12-100-034-5120-067	14,655.00	7/1/11	6/30/12				14,655.00	(10,368.88)				4,286.12		(10,368.88)	
E S L	11-100-034-5120-067	12,807.00	7/1/10	6/30/11		2,680.34			(2,680.34)							
Transportation	12-100-034-5120-068	120,585.00	7/1/11	6/30/12				120,585.00	(120,585.00)						(120,585.00)	
Home Instruction	12-100-034-5120-067	1,412.99	7/1/11	6/30/12					(1,412.99)		(1,412.99)				(1,412.99)	
Home Instruction	11-100-034-5120-067	3,671.02	7/1/10	6/30/11	(3,671.02)			3,671.02								
Handicapped Services:																
Supplemental Instruction	12-100-034-5120-066	154,334.00	7/1/11	6/30/12				154,334.00	(125,552.25)				28,781.75		(125,552.25)	
Supplemental Instruction	10-100-034-5120-066	170,233.00	7/1/10	6/30/11		25,623.50			(25,623.50)							
Examination & Classification	12-100-034-5120-066	208,340.00	7/1/11	6/30/12				208,340.00	(167,792.95)		8,128.65		48,675.70		(167,792.95)	
Examination & Classification	11-100-034-5120-066	200,307.00	7/1/10	6/30/11		22,565.83			(22,565.83)							
Corrective Speech	12-100-034-5120-066	203,781.00	7/1/11	6/30/12				203,781.00	(152,780.28)				51,000.72		(152,780.28)	
Corrective Speech	11-100-034-5120-066	209,662.00	7/1/10	6/30/11		41,355.72			(41,355.72)							
Nursing Services	12-100-034-5120-070	124,558.00	7/1/11	6/30/12				124,558.00	(124,558.00)						(124,558.00)	
Total Special Revenue Fund					(3,671.02)	227,690.97		1,407,416.02	(1,161,389.86)	(219,562.32)	(1,412.99)		251,896.78		(1,161,389.86)	
Capital Projects Fund																
State School Building Aid - ROD Grants	1950-180-09-0QAA	1,678,319.00	7/1/11	6/30/12	(147,394.84)			175,257.03	(27,862.19)						(27,862.19)	
Total Capital Projects Fund					(147,394.84)			175,257.03	(27,862.19)						(27,862.19)	
Debt Service Fund																
Debt Service Aid Type II	12-100-034-5120-125	226,043.00	7/1/11	6/30/12				226,043.00	(226,043.00)						(226,043.00)	
Total Debt Service Fund								226,043.00	(226,043.00)						(226,043.00)	
Enterprise Fund																
National School Lunch Program	12-100-010-3350-023	41,189.19	7/1/11	6/30/12				38,758.57	(41,189.19)		(2,430.62)				(41,189.19)	
National School Lunch Program	11-100-010-3350-023	36,705.82	7/1/10	6/30/11	(1,892.01)			1,892.01								
Total Enterprise Fund					(1,892.01)			40,650.58	(41,189.19)		(2,430.62)				(41,189.19)	
Total State Financial Assistance					\$ (1,549,344.26)	\$ 227,690.97	\$ (5,908,719.00)	\$ 86,355,077.21	\$ (86,749,598.14)	\$ (219,562.32)	\$ (1,716,223.24)	\$	\$ 251,896.78	\$ (6,371,129.08)	\$ (81,629,755.14)	
Less:																
TPAF Post Retirement Medical								\$ 5,021,281.00								
TRAF Non-Contributory Pension Ins.								2,493,349.00								
Total State financial Assistance Subject to State Single Audit.								\$ (79,234,968.14)								

Note: See Accompanying Notes to Schedules of Expenditures of Awards / Financial Assistance.

HAMILTON TOWNSHIP SCHOOL DISTRICT
MERCER COUNTY, NEW JERSEY

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS/FINANCIAL
ASSISTANCE
JUNE 30, 2012

Note 1: GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Hamilton Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of federal financial assistance.

Note 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-4.2

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS/FINANCIAL
ASSISTANCE (CONT'D)
JUNE 30, 2012

Note 3: RELATIONSHIP BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to GAAP basis is \$(494,716.00) for the general fund and \$(2,123.16) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$2,807,138.29	\$84,791,160.28	\$87,598,298.57
Special Revenue Fund	4,208,287.30	1,161,389.86	5,369,677.16
Capital Projects Fund	-0-	165,781.91	165,781.91
Debt Service Fund	-0-	226,043.00	226,043.00
Food Service Fund	<u>1,902,845.22</u>	<u>41,189.19</u>	<u>1,944,034.41</u>
Total Financial Assist.	<u>\$8,918,270.81</u>	<u>\$86,385,564.24</u>	<u>\$95,303,835.05</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 5: OTHER

Revenues reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Post Retirement Medical represents the amount paid by the State on behalf of the District for the year ended June 30, 2011. The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the State for employer's share of social security contributions for TPAF members for the year ended June 30, 2012.

Note 6: ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State programs for TPAF Pension and Post Retirement Medical Benefit Contributions are not subject to a State Single Audit, and therefore, are excluded from Type A program calculation and major program determination.

HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal Control over financial reporting:

1) Material weakness(es) identified? _____ Yes _____ X No

2) Significant Deficiency(s) identified that
are not considered to be material weaknesses? _____ Yes _____ X No

Noncompliance material to basic financial
statements noted? _____ Yes _____ X No

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? _____ Yes _____ X No

2) Significant Deficiency(s) identified that
are not considered to be material weaknesses? _____ Yes _____ X No

Type of auditor's report issued on compliance for
major programs: Unqualified

Any audit findings disclosed that are required to be reported
in accordance with section.510(a) of Circular A-133? _____ Yes _____ X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	<u>Special Education Cluster:</u>
<u>84.027</u>	<u>IDEA Part B Full-time</u>
<u>84.173</u>	<u>IDEA Part B Preschool</u>
<u>84.391</u>	<u>IDEA Part B Full-time ARRA</u>
<u>84.392</u>	<u>IDEA Part B Preschool - ARRA</u>

HAMILTON TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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Section 1 - Summary of Auditor's Results (cont'd.)

Federal Awards (Cont'd):

Identification of major programs(Cont'd):

<u>84.318</u>	<u>Title II</u>
<u>93.778</u>	<u>Medicaid Incentive Grant</u>
<u>84.410</u>	<u>Education Jobs Fund - ARRA</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

Dollar threshold used to distinguish between Type A and B programs: \$300,000.00

Auditee qualified as low-risk auditee? X Yes No

HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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Section 1 - Summary of Auditor's Results (cont'd)

State Awards

Dollar threshold used to distinguish between Type A and B programs: \$2,377,049.00

Auditee qualified as low-risk auditee? _____ Yes X No

Type of auditor's report issued on compliance for major programs: Unqualified

Internal Control over major programs:

1) Material weakness(es) identified? _____ Yes X No

2) Significant Deficiency(s) identified that are not considered to be material weaknesses? _____ Yes X No

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04 _____ Yes X No

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>12-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>12-495-034-5120-084</u>	<u>Security Aid</u>
<u>12-100-034-5120-125</u>	<u>Debt Service Aid</u>
<u> </u>	<u> </u>
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HAMILTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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Section II - Financial Statement Findings

This section identifies significant deficiencies, material weaknesses, and instances of noncompliance related to the general-purpose financial statements that are required to be reported in accordance with chapter 5.18 of *Governmental Auditing Standards*.

Significant Deficiency(ies)/Material Weaknesses

None Noted.

Noncompliance

None Noted.

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB circular A-133 and New Jersey OMB's circular 04-04.

Federal and State Award Programs:

Significant Deficiency(ies)/Material Weaknesses

None Noted.

Noncompliance

None Noted.

**HAMILTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Section 1 – Summary of Prior Year Federal & State Findings

N/A